

FOREIGN LAND ACQUISITIONS IN TANZANIA

GLOBAL IDEOLOGY, LOCAL PERSPECTIVES



Sven Larsen

Master Thesis in Human Geography

Department of Sociology and Human Geography

University of Oslo

September 2012

© Sven Larsen

2012

Foreign Land Acquisitions in Tanzania – Global Ideology, Local Perspectives

Sven Larsen

<http://www.duo.uio.no/>

ACKNOWLEDGMENTS

Many people need to be thanked because of their contribution to this study. I'm thankful Norwegian Church Aid in Tanzania, and especially Jane Vogt Evensen, for the support during the fieldwork. I want to thank Ruth Nesje at TICC, for connecting me with an interpreter, and for a wonderful stay at the Meeting Point. Thanks to professor Jan Hesselberg, my experienced supervisor. A great big thanks to fellow student Lisa Smith Walaas for great conversations, and feedback on my study. Thanks also to Kaia Schultz for the support and advice in the final phase. Thanks to the department Human Geography, and my fellow students there, for being a great place to study.

Sven Larsen,
Oslo, September 2012

TABLE OF CONTENTS

ACKNOWLEDGMENTS	iv
ABBREVIATIONS	viii
FIGURES.....	viii
INTRODUCTION.....	1
Research questions.....	3
Empirical data.....	3
Structure of thesis	4
1. TRENDS IN CONTEMPORARY LAND ACQUISITIONS	5
Land acquisition or land grab?	5
Win – win discourse and critical-discourse	8
Foreign large-scale farmland acquisition	9
Contingent causes of farmland acquisitions	12
Size and scope of land deals	14
Actors and geography.....	17
Food security	20
Land availability.....	22
Summary.....	24
2. METHODOLOGICAL APPROACH.....	25
Production of (trustworthy) data.....	25
Preparation	26
Selecting sites and gaining entry	27
Sampling.....	29
Interpretation	30
Interviews	32
Ethical considerations	34
Summary.....	35
3. NEOLIBERALISM AND MARKET SOCIETY.....	36
Neoliberalism.....	36
Accumulation by dispossession	38
Uneven Geographies of Development.....	41

4. GLOBAL NEOLIBERALISM, TANZANIA AND LAND ACQUISITIONS	42
The Carbon Economy and the Clean Development Mechanism	43
Vertical integration of value chains	44
Tanzanian context and land acquisitions.....	45
Brief history of land tenure in Tanzania.....	45
The State of Neoliberalism in Tanzania	46
The Technical Land Acquisition Process.....	48
Summary.....	53
5. LOCAL PERSPECTIVES	54
Participation and Negotiation	54
Dispossession?.....	57
Employment	58
Casual labour.....	59
Permanent labour	61
Management.....	62
Benefit sharing.....	63
Some promises kept, and many broken	64
Resistance and Justice.....	65
Summary.....	66
6. WINNERS AND LOSERS.....	68
7. CONCLUSIONS	72
REFERENCES	76
APPENDIX A: LIST OF INFORMANTS.....	81
APPENDIX B: INTERVIEW GUIDES.....	83

ABBREVIATIONS

BRICS	Brazil, Russia India, China, South Africa
CDM	Clean Development Mechanism
CSR	Corporate Social Responsibility
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IIED	International Institute for Environment and Development
ILC	International Land Coalition
NGO	Non Governmental Organisation
TIC	Tanzania Investment Centre
TNC	Transnational Corporation
SWF	Sovereign Wealth Fund
UN	United Nations

FIGURES

Figure 1: Global land acquisitions by sector. Number of hectares (millions) cross-referenced.

Figure 2: The global pace of land acquisitions.

Figure 3: Regional focus of land acquisitions for the years 2000 - 2011.

Figure 4: Aggregated land areas acquired, based on media reports.

Figure 5: Front-page image of ILC 2012 report.

INTRODUCTION

- Are you prepared to go to prison? She asked me. I wrinkled by eyebrows, - No, not really, why would I go to prison? She continued: You see, they have very elaborate surveillance systems. Even in the rural areas, there are many eyes and ears that will report to the government if they notice anything suspicious. I could hardly believe what she was saying. You will not get a research permit on that topic, and if you lie about your topic, they will find out, and they will deport you, you might even go to prison.

The conversation above took place between a person working for an Ethiopian NGO and me. In the beginning, I did not realize the level of controversy of the research topic, but I quickly came up to speed. Large-scale foreign land acquisition often referred to as “land grabbing” is a highly contentious issue for many governments in the global south. The notion of land acquisitions refers most frequently to private entities that gain control over pieces of land where land rights are not formalized. Acquisitions are usually land-leasing agreements with duration between 25 and 99 years.

The Ethiopian was briefly in Oslo for a conference when we met to discuss the possibility of me conducting fieldwork in Ethiopia. I consulted several people working with research and development cooperation in Ethiopia, and the advice was quite unanimous: I should rethink my research topic or country of fieldwork. At this point, I could not change the research topic. I found the political sensitivity, the transnational investments and the reports of violence and abuse of rural dwellers too important. I kept the research topic and conducted the fieldwork in Tanzania. Foreign direct investment (FDI) in farmland is a controversial theme also in Tanzania, but the government is more tolerant of criticism than Ethiopia.

The reason for the heavy criticism linked to land acquisitions is the treatment that rural communities are being subjected to. The ruthlessness that has been presented by NGOs and researchers are shocking. Reports have documented forceful evictions, burning of farms and killing of people standing in the way of transnational investment (Zagema 2011). This is probably why the topic of land acquisitions has sparked interest from activists as well as

researchers. Issues such as neocolonialism, imperialism and exploitation are recurrent themes.

Foreign acquisitions of land are on the rise. According to Anseeuw *et al.* (2012) 203 million hectares of land have been reported as approved or under negotiation between 2000 and 2010. Between 2007 and 2011 global investors acquired 111 million hectares of agricultural lands, 75% of which were in Africa. In the year 2011, the World Bank reported a 12-fold increase in the amount of agricultural land acquired by foreign investors. Investors are seeking land for many different reasons and purposes: food, raw materials, timber and carbon offset markets including biofuels and forestry, but also for speculative reasons (Deininger *et al.* 2011).

Even though foreign land acquisitions are frequently framed as a new phenomenon, land rights have been an issue since colonial times. Tanzania's first president, Julius Nyerere, published the paper *Mali ya Taifa* (National Property) in 1958. The paper was a response to the colonial government's plans to gradually replace customary tenure with freehold titles. Nyerere stressed the detrimental socio-political effects of a land market:

“In a country such as this, where, generally speaking, the Africans are poor and the foreigners are rich, it is quite possible that within a eighty or a hundred years, if the poor African were allowed to sell his land, all the land in Tanganyika would belong to wealthy immigrants, and the local people would be tenants. But even if there were no rich foreigners in this country, there would emerge rich and clever Tanganyikans. If we allow land to be sold like a robe, within a short period there would only be a few Africans possessing land in Tanganyika and all others would be tenants.” (Nyerere 1958:55, in Sundet 2006:4)

The debate on foreign land acquisitions is polarized. Business and politicians are emphasizing the win-win possibilities: employment creation, technology transfer and increased investment in rural parts of poor countries on one side, and profit for business on the other side. Critics emphasize that poor rural dwellers are stripped of their most prized asset; their land. The land is crucial to provide food and income for many poor in the rural global south. The land is “grabbed” by corporations with help from national elites. This

leads to dispossession of local resource users because they are not able assert their land rights, hence the term *land grabbing*.

Research questions

This thesis conducts a cause and effect analysis. The cause of foreign land acquisitions is identified at global and national geographical levels. The effects are studied at the local level in Tanzania. The main emphasis of analysis lies at the local level; hence this is where my fieldwork is conducted. Cotula *et al.* (2009:6) notes that “ultimately, the extent to which international land deals seize opportunities and mitigate risks depends on their terms and conditions”. I take the same pragmatic approach to analysing the local impacts of foreign land acquisitions. I connect the cause and impact analyses by assessing winners and losers in foreign land acquisitions. The impact is shaped by the cause. The questions I shall answer are:

How do global political ideology cause foreign land acquisitions?

What are the perspectives on foreign investments at the local level?

Who benefits from foreign land acquisitions?

These questions are pertinent because FDI in developing countries are perceived as an engine of growth and development. This thesis will contribute to that debate with a study of the Norwegian corporation Green Resources in Tanzania.

Empirical data

Green Resources is a Norwegian private transnational corporation (TNC) in the business of carbon offset, forest products and renewable energy. Green Resources has plantations in Uganda, Mozambique, South Sudan and Tanzania. I studied some of their plantations in Tanzania. In Tanzania their main business is growing trees and making wooden products such as transmission poles for consumption in the domestic market. But Green Resources is also financing parts of their operations from sales of carbon credits derived from both UN-certified and voluntary carbon quotas. According to Green Resources' webpage¹, the corporation has been allocated more than 122 500 hectares of land in Tanzania. The

¹ <http://www.greenresources.no/Plantations.aspx>. Viewed March 9th 2012.

company has formal title deeds for 34 000 hectares, and the rest is in various stages of the acquisition process. The land areas are spread out in different parts of the country. The biggest chunks of land are situated in the southern highlands of the country, but they also have land in the southern coastal region of Lindi and in the northern coastal area of Tanga. I produced data from several villages and plantations in two of the regions, which remain anonymous in this thesis. Green Resources started their first operations in Tanzania in 1995, under the name of Fjordgløtt AS, before they changed the name to Tree Farms AS and then Green Resources (Stave 2000).

Structure of thesis

The first chapter of this thesis presents the big global picture of foreign land acquisitions. It explains concepts and provides an overview of the study field. The chapter sheds light on topics that are much debated in the literature and this study comprises comments to existing literature, which is the reason for the extensive background chapter. The second chapter explains the methodological approach of the study and gives an account of the fieldwork. The third chapter contains the conceptual framework that is of importance to the discussion and analysis. Neoliberalism and theories of Harvey and Polanyi will be presented. The fourth chapter starts the analysis with focus on the causes of foreign land acquisitions at the global and national Tanzanian level. The fifth chapter gives an account of local perspectives on Green Resources' land acquisitions in several villages across Tanzania. The sixth chapter is an outline of winners and losers of Green Resources' foreign land acquisitions in Tanzania. The seventh chapter is the conclusion where I summarise the thesis and make some final remarks on the implications of this thesis in context with the wider debate on foreign land acquisitions.

1. TRENDS IN CONTEMPORARY LAND ACQUISITIONS

In order to build up a fruitful discussion on foreign land acquisitions is important to have an idea of the wider context of the phenomenon. Therefore, this chapter gives an account of aspects that are frequently discussed concerning land acquisitions in the relevant literature. Foreign land acquisitions have a long history in the global south, commonly known as colonisation. Even though the phenomenon is not new, there has been a surge in foreign land acquisitions since the mid-2000s and the shape and the reasons for acquiring land is different than before. This chapter gives an account of global *contemporary* trends of the surge in foreign large-scale land acquisitions. I highlight examples from Africa and Tanzania, since this thesis concentrates on the Tanzanian context. The aim is to give insight to issues and debates in general before discussing realities of specific local communities in later chapters. However, painting a general image with quantitative data concerning the global rush for farmland is riddled with many difficulties, and shall also be discussed. Even so, it is possible to extract some trends, though the details vary greatly. I examine the scale, scope and geography of the land deals as well as actors and drivers. I will make reflections on some of the assumptions that exist in parts of the literature. This chapter draws on NGO reports and academic work on the topic.

Land acquisition or land grab?

The terminology of the rising commercial interest in farmland has created tension. The World Bank refers to it as: “Rising global interest in farmland” (Deininger *et al.* 2011), International Land Coalition (Anseeuw *et al.* 2012) calls it: “Global commercial pressures on land” and refers to the phenomenon as *land acquisitions*. Other debaters prefer *land grabbing* (Matondi *et al.* 2011). The term land grabbing reflects that local resource users are dispossessed of their access to land without their consent. Their land is eligible for grabbing by foreign corporations because they do not have formalised property rights, even though the rural populations have customary rights in Tanzania. However, the traditional rights are difficult to enforce for the disempowered locals, and can therefore be trumped by domestic elites and powerful transnational corporations (TNCs).

International Food Policy Research Institute (IFPRI) and the International Institute for Environment and Development (IIED) and the UN Special Rapporteur on the right to food, have all provided recommendations to guide land acquisitions and land lease processes. According to Havnevik (in Matondi *et al.* 2011) the number and nature of the recommendations vary, but they show consensus on the following aspects that relate to the large-scale land acquisition process: (1) there should be transparency in the negotiations; (2) the rights of local communities, including customary land rights, should be protected; (3) the benefits should be shared between local communities and investors; (4) environmental sustainability should be ensured; (5) food security in the African countries and communities should not be compromised.

At the same time, many debaters agree that not all acquisitions are necessarily land grabbing. The International Land Coalition (ILC) does not exclude the possibility that land deals may have beneficial effects for the host country and local communities. The ILC is a broad coalition consisting of 116 organisations, including organisations and institutions from Oxfam to the World Bank. The ILC made the “Tirana Declaration” in 2011, which is a definition and denouncement of land grabbing. The Tirana Declaration state that land grabbing are one or more of the following: (i) in violation of human rights, particularly the equal rights of women; (ii) not based on free prior consent of the affected land users; (iii) not based on a thorough assessment, or are in disregard of, social, economic, and environmental impacts, including the way they are gendered; (iv) not based on transparent contracts that specify clear and binding commitments about activities, employment, and benefits-sharing; (v) not based on effective democratic planning, independent oversight, and meaningful participation (Zagema 2011). These principles are thorough, but they are difficult to operationalize. The fact that many organisations are part of the declaration gives the declaration legitimacy, but it also waters down the contents because of the fuzzy notions. “Meaningful participation” is an example of a notion that is difficult to operationalize and assess in a way that is agreeable to different actors. The fuzziness makes it difficult to determine whether specific land acquisitions are land grabbing or not.

Matondi *et al.* (2011:1) defines land grabbing to: “include exploration, negotiations, acquisitions or leasing, settlement and exploitation of the land resource, specifically to attain energy and food security through exports to investors’ countries and other markets. This does not preclude land grabbing by domestic or regional commercial, state and other interests; however, the major tendency is for these domestic interests to be in collusion or alliance with external interests, often through minor share holdings in local companies so that legal and other regulatory aspects can be circumvented [...] local people and producers have to contend with not just external, but also with domestic interest.” The most critical voices in the debate about rising commercial interest in farmland say that: “the company banks on the poverty, illiteracy, ignorance and associated desperation of such communities” (Karumbidza 2010:6).

Not all voices are critical towards foreign land acquisitions at the point of departure. Many politicians and business enterprises view foreign land acquisitions from a win-win perspective. But they are critical to some of the critics: “Critics really have to start doing their homework and move away from that self-promotional sensationalism. I find it terribly discouraging when I read reports by, for example, Human Rights Watch and the Oakland Institute that are, not only based on poor science, littered with factual misrepresentations. I then wonder whether such organizations are genuinely in pursuit of sustainable farmland investment or rather in pursuit of sustainable NGO financing.”² Academics usually take a third stance, arguing that any assessment of land acquisitions should be empirical. Gardner (2012:398) writes that: “It’s not a question of whether markets are ‘good or bad’. Rather it’s a question of how development practices make markets meaningful, both opening up new possibilities and limiting choices for civil society groups and their constituencies. Hall (2011:193) comments that: “The popular term ‘land grabbing’, while effective as activist terminology, obscures vast differences in the legality, structure and outcomes of commercial land deal and deflects attention from the roles of domestic elites and governments as partners, intermediaries and beneficiaries. In this thesis, I use the word *land acquisitions*, rather than *land grabbing* because it opens up for several meanings and interpretations of the phenomenon.

² <http://ruralmodernity.wordpress.com/2012/04/07/karuturi-why-the-hype/>. Viewed 7.april 2012.

Win – win discourse and critical-discourse

The hegemonic political discourse in development promotes business as engine of economic growth, and that economic growth is the basis of development. Public-private partnerships are the preferred model for promoting development in poor countries. This is reflected in the clean development mechanism (CDM), launched by the UN system as a part of the Kyoto protocol. The CDM is a market-based system of carbon quotas that aims to mitigate climate change through making green technologies and carbon storage profitable. In this perspective, understanding the impact of foreign direct investment (FDI) on local communities is relevant to comment the agenda of capitalist driven development.

The hegemonic discourse within foreign large-scale land acquisition is the win-win discourse (Widengård 2011). The former Norwegian minister of environment and development Erik Solheim said that: “Africa needs more investment, not less.” (Piene and Bjergene 2012:22). The win-win discourse emphasises societal benefits such as food security (when producing food), energy security (when it comes to biofuels) and environmental protection (concerning forestation and carbon credits). Other benefits are agricultural development, technological diffusion and employment creation. The political strength of the win-win discourse lies in these perceived benefits. Also local communities in host countries are prospering from investments by foreign capital that enables utilization of idle land. There is potential for improvement of local infrastructure with better access to electricity and roads, and schools buildings are improved along with water access to the rural communities. The host government is content because the foreign investments add to the GDP, and the TNCs are making money and fuelling the global economy. Codes of Conduct and Corporate Social Responsibility (CSR) is promoted as a solution to issues concerning social justice in the way the benefits are shared. The potential is grand.

The critical discourse identifies many problems with foreign land acquisitions. There are reported incidences where rural populations are evicted from their land, where they have lived and cultivated the earth through customary tenure. The loss of land means the loss livelihood, and in worst cases of forceful evictions, people lost their house as well (Zagama

2011). With blessing of national politicians, land is grabbed at the local level by TNCs who accumulate capital by dispossessing common land from common people.

Critical commentators have pointed out that land acquisitions are land-based and identity-based (taking history into account) imperialism and economic exploitation. CSR and codes of conduct concerning land are not enough. On the contrary, CSR is perceived as legitimizing land grabbing, and Codes of conduct are therefore counter productive for the rights of local resource users (Borras and Franco 2010).

Other risks of large scale foreign land acquisitions are neglect of land users, absence of consultation and participation, corruption, environmental harm (by mono-culture and destruction of local biodiversity), violent conflict over land rights, polarization and instability, undermining food security (by replacing food production with inedible plants for biofuel production) and loss of livelihoods (by dispossession people of their land). There is also a high risk of corporations' ability to keep promises, such as local job creation, infrastructure improvement, and proper compensation. This is largely because local communities have little ability to keep TNCs accountable to their promises (GRAIN, in Piene and Bjergene 2012). Therefore, the enclosure of land in the global South revitalizes a long-standing (but institutionally dormant) modernization trope that agriculture is the baseline to development, and that development institutions have a "modernist fantasy" about land grabbing as a contribution to development (McMichael 2011). Corporations venturing into foreign land acquisitions are profit seeking. Benjaminsen and Bryceson 2009 calls the corporations venturing into forestry for carbon credit sales for carbon imperialism and climate colonialism, because they are pursuing profits in the name of climate change, praying on poor people's resources. Critics claim that the view that Africa badly needs investment and that foreign aid has largely failed seems to imply that foreign companies should have unfettered access to Africa (Karumbidza 2010).

Foreign large-scale farmland acquisition

The debate of FDI in land is a nexus of many cross cutting themes. Land tenure, food security, agrarian change, rural livelihoods, affects on climate and environment are some of the main issues that are integral to this debate. In the next paragraphs I will explain more

closely what the notion foreign large-scale land acquisitions contain, and what it does not contain.

Foreign investment points out that domestic actors are not within the scope of the acquisitions in question, both in the literature in general and in this thesis specifically. However, domestic land acquisitions are also common. Tanzanian media covered many stories where politicians were accused of land grabbing in both urban and rural areas (Daily news 2011, The Citizen 2011). For some reason, the domestic land acquisitions are not seen as problematic as foreign ones, since domestic acquisitions are not mentioned as often as foreign ones in the literature. This probably stems from history of colonization, and that foreign land acquisitions seem more severe. But the effects can be just as severe for local communities when national elites acquire land (Benjaminsen and Bryceson 2012, Cotula 2012). There is little reason to believe that domestic corporations are “friendlier” than TNCs since they all compete in the same market by the same national rules.

Large-scale investments point out that the extent of land in question is of a certain size. Different research institutes operate with different measurements of “large-scale”. Cotula *et al.* (2009) include investments above 1000 hectares as large-scale, while the data from the Land Matrix dataset includes deals from 200 hectares (Anseeuw *et al.* 2012). This displays the difference in methodologies in measuring and quantifying land investments. This study write more about challenges with quantifying the land deals in later chapters. However, it is useful to note that the main trend seems to be that foreign investment is large-scale, from a few hundred hectares up to several hundred thousand hectares. There are registered efforts to acquire around a million hectares in some cases (Deininger *et al.* 2011, Anseeuw *et al.* 2012).

Farmland investments point out that the acquired land is eligible for agriculture. Thus, FDI in extractive industries, tourism and urban areas is excluded from much of the literature, even though these kinds of land deals might have many similarities with farmland acquisitions. The focal point is FDI in farmland: food crops, horticulture, biomass for biofuel production and trees for carbon sequestration and wood products. Extractive industries can have very severe consequences on environment and people. The mining industry for gold, diamonds and other valuable pebbles and minerals has a long and painful history with regards to

treatment of people and communities in the global south (Curtis and Lissu 2008). Also the tourist industry is part of foreign land deals, with possible adverse effects on local populations. Proximity to attractive spots such as beaches, rivers and national parks has in some cases led to the enclosures of beach zones that lead to problems for locals living of fishing (Benjaminsen and Bryceson 2012, Gardner 2012). But it is not part of the recent trend in farmland investments.

Acquisition is not necessarily the same as buying. Land deals are referred to as acquisitions because in most cases the land is not bought as private property with freehold titles. This is because most developing countries does not have formalised land tenure. Many countries have legislations that does not permit outright sale of land, but the land can be leased. Corporations can buy occupancy rights of land for a given timeframe. In sub-Saharan Africa land is cheap. The Tanzanian land-leasing price is fixed at US \$ 0.27 per hectare (converted from local currency 20th October 2011) and the leases have a timeframe of up to 99 years, with a maximum of 25 years for biofuel investments (Schoneveld 2011).

The cornerstone of much antagonism over foreign land acquisitions is rooted in the clash between capitalistic production and the “unsettled” character of the governance structures of African land ownership, and control of and access to natural resources (Cotula *et al.* 2009, De Schutter 2009, von Braun and Meinzen-Dick 2009). Private property is the cornerstone of capitalism, but much land in the global south is not organized that way. Acquisitions in OECD countries are generally not reflected in the data, as private transactions between commercial actors do not involve a conversion of tenure system, or that land is taken from smallholder production. (Anseeuw *et al.* 2012).

In Tanzania most land tenure is organized under customary rights of occupancy. This leads to confusion and conflict between nomads, the local level of government, and the national government, which is further distressed by foreign land seeking actors. This is not an argument that all land *should* be formalized, but it is an acknowledgement of the clash of capitalist systems of production and traditional collective tenure systems.

Contingent causes of farmland acquisitions

Contingent causes often referred to as triggers and drivers in the literature on foreign land acquisitions. The contingent causes of land acquisitions are rising land value and the rise of prices of agriculture-based commodities, such as food and biofuels, are key drivers for the engagement of the private sector in African agriculture. This is linked to the underlying demographic trend that the earth's population will increase to 9 billion people in 2050 and the amount of arable land is stagnant. This combined with unprecedented growth in transition countries, such as Brazil, Russia, India, China and South Africa (BRICS) have fuelled demand for energy. And the European Union's goal of 10% that energy consumption shall be renewable energy has made biofuels a profitable industry. These trends have made vertical integration of value chains a lucrative way of doing business, which have pushed acquisitions of African land. The rise in food prices in 2007-2008 is an often used explanation that made FDI in farmland take off (Deininger *et al.* 2011, Anseeuw *et al.* 2012).

This research refer to the drivers of land acquisitions as contingent causes. This is related to that the less commented factor of foreign land acquisitions; the shape of neoliberal globalisation and capitalist expansion. This concerns the shape of international political economy and the policy environment leading up to the emergence of foreign land deals in its current form. The neoliberal hegemony shapes national policies and incentives that influence the opening of markets and possibilities for profit. According to Matondi *et al.* (2011) there is a social and political web, in which capital forces behind it shape global policy paradigms exemplified by biofuel production and the search for food security. This matter will be debated in the coming chapters of this thesis.

The quest for food security is often referred to as an explanation of the land rush. Land acquisitions

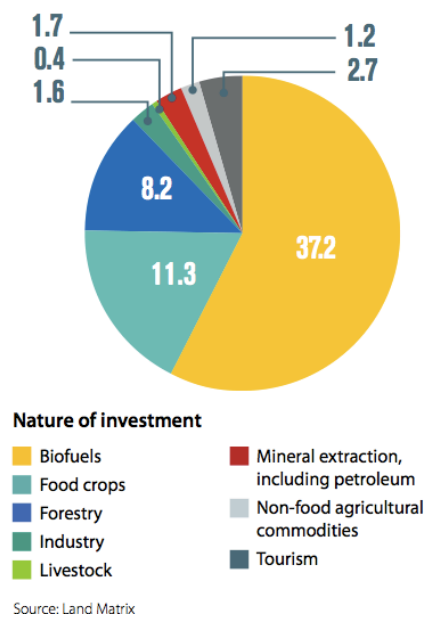


Figure 1: Global land acquisitions by sector. Number of hectares (millions) cross-referenced (Anseeuw *et al.* 2012:24)

peaked in 2009, not long after the peak of food prices (especially rice) in the first half of 2008 (Deininger *et al.* 2011). Von Braun and Meinzen-Dick (2009:1) writes that: “Food-importing countries with land and water constraints but rich in capital, such as the Gulf States, are at the forefront of new investment in farmland abroad.”

According to Anseeuw *et al.* (2012) 72% of the produce on acquired land is non-foods. Biofuel comprises 40% of the land, while forestry, carbon sequestration, mineral extraction industry and tourism make up 27%, and other non-food crops is 5%. Acquired land used for food production is 25% for food crops and 3% for livestock.

Therefore, connecting the rise in land acquisition with food price rise is questionable. Hall (2011:202) comments that: “If ‘land grabbing’ is a response to volatility in global food markets, as is widely claimed (by IFPRI among others), then what is striking in Southern Africa is the prevalence of land acquisitions for purposes other than food.” Cotula (2012) comments that some estimates have pointed out that the food prices were at the same level in the 1980’s as in 2008. It makes more sense to emphasize the rise in the biofuel market (or more generally carbon emission reduction) with demand of farmland. In Tanzania, investor interest in biofuels outweighs interest in food production. The main crop being sought by foreign investors are currently Jatropha, sugarcane and palm oil to produce biofuels. Zoomers (2010) identify several processes that drive foreignisation of space. Not just food security or biofuels, but also development of protected areas for nature reserves, ecotourism; large infrastructure developments, special economic zones and urban extension; large-scale tourist complexes; land purchases by migrants in their countries of origin.

The data on triggers and drivers of foreign land acquisitions points in many different directions. So until methodologies of reporting and measuring land acquisitions are improved, what researchers know is that the phenomenon is increasing in hectares and in scope of purpose.

Size and scope of land deals

Research on international land deals have surged along with the phenomenon itself. These paragraphs will give an overview of foreign land acquisitions globally, and specifically for Tanzania, and shed light on some difficulties with quantifying data on land acquisitions.

“There have been responses to the large-scale African land deals from non-governmental organizations (NGOs) in the affected African countries and globally, and from research and specialized UN agencies such as FAO, IFAD and the UN special Rapporteur on the right to food. Most of the advocacy, research and human rights-related initiatives and activities have attempted to get a better understanding of the background, driving forces and outcomes of this process by conducting fieldwork, and by sourcing, systematizing and analysing data. Although many of these initiatives have been short term and have used methodologies that leave many uncertainties, they do illustrate the fact that the process of land acquisition and leases has accelerated over the last years, alongside a growing concern about the implications of this process.” (Havnevik 2011:20-21)

Figure 2 displays the global pace of land acquisitions from 2000 to 2010, measured in hectares. The graph draws data from the Land Matrix (Anseeuw *et al.* 2012), which features land deals reported in the media and discussed in published research. The white numbers are cross-referenced triangulated data, and the yellow numbers are reported data with a lower level of reliability.

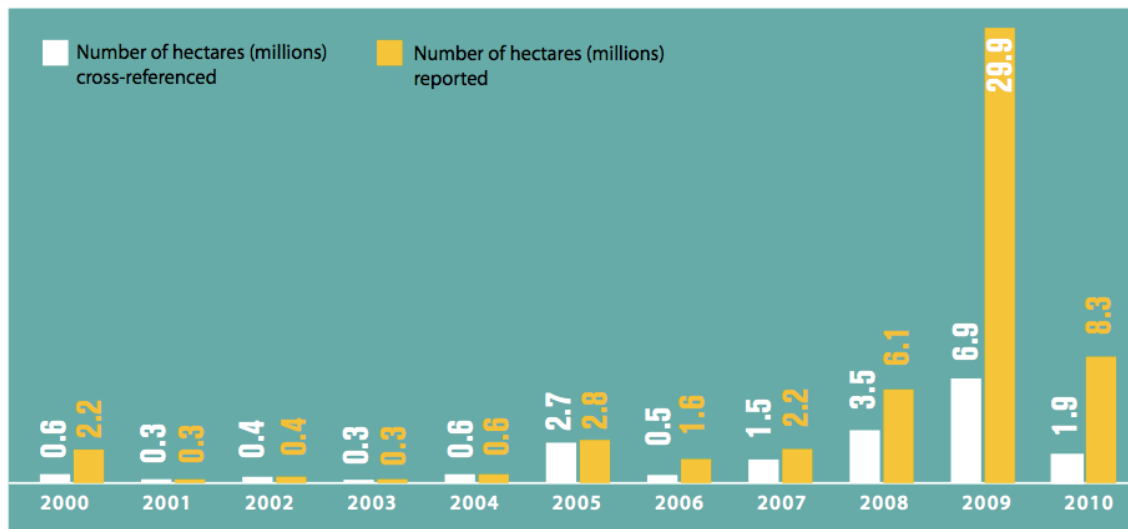


Figure 2: The global pace of land acquisitions (Anseeuw *et al.* 2012:20).

The data show an increasing interest in land. From 2005 the trend of foreign acquisitions raised markedly. Figure 3 displays the interest in land by regions. The graph displays that Africa has received most interest as destination for FDI since 2000.

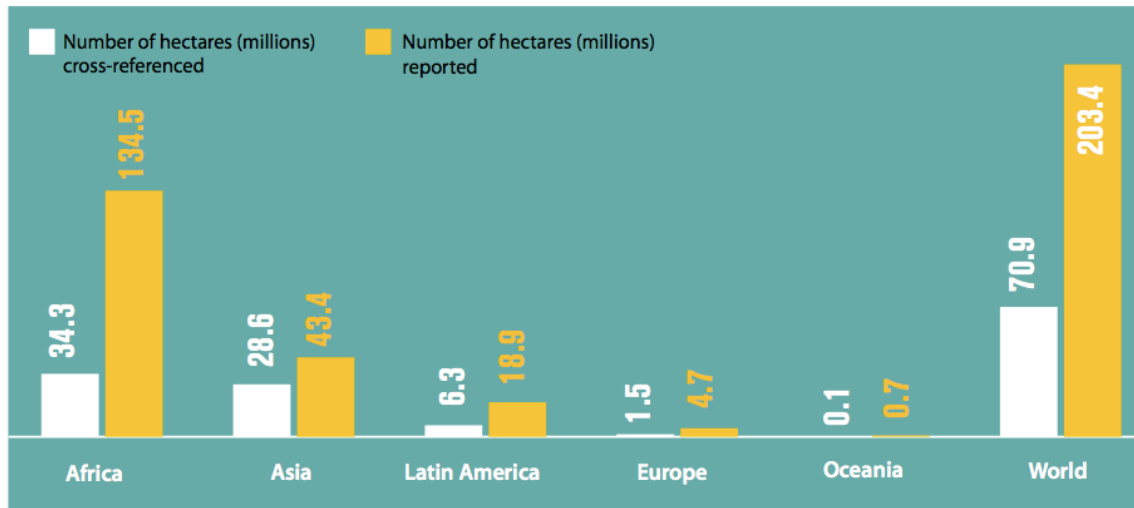


Figure 3: Regional focus of land acquisitions for the years 2000 – 2011 (Anseeuw *et al.* 2012:23).

Even though the triangulated data is much lower than reported, the upward trend of FDI in land is clear. The reason for the discrepancy between the reported and the triangulated data may have several explanations. Cotula (2012) have made a summary of some different studies that quantify foreign land acquisitions, and done a methodological critique. The Studies Cotula (2012) summarised is: Friis and Reenberg (2010), Deininger *et al.* (2011) and Oxfam (2011). The studies present a fairly consistent image on the scale of the phenomenon. However, the studies differ in time span, sectors and areas. Therefore, one must read such reports critically, because of the differences in use of parameters and methodological difficulties.

Friis and Reenberg (2010) reviewed media reports that featured on the blog of ILC (commercialpressuresonland.org) for the period 2008-2010. Their findings were that African land deals alone amounted to somewhere between 51 and 63 million ha. The World Bank (Deininger *et al.* 2011) did an inventory of the media reports on the GRAIN blog (farmlandgrab.org), and documented land acquisitions for 56.6 million hectares worldwide

between 2008 and 2009. Oxfam (2011) used preliminary data from the Land Matrix and shows reported deals for 227 million hectares worldwide from 2001-2010. The same database is used in Anseeuw *et al.* (2012), but the numbers have been reduced, probably because some of the major deals never happened. One example is Daewoo's failed 1.3 million hectares acquisition in Madagascar (Ullenberg 2009). Figure 4 compares the three reports.

Land area (ha)	Coverage	Time period	Source	Method
51–63 million	27 countries in Africa	2008–2010	Friis & Reenberg (2010)	Systematic inventory of media reports included in the ILC blog
56.6 million	Global (81 countries covered)	1 October 2008–31 August 2009	Deininger <i>et al.</i> (2011)	Systematic inventory of media reports included in the GRAIN blog
About 67 million	Global	2001–2010	Oxfam (2011); Anseeuw <i>et al.</i> (forthcoming)	Systematic inventory of media and research reports, triangulated through a cross-checking process; includes mining, forestry and tourism

Figure 4: Aggregated land areas acquired, based on media reports (Cotula 2012:4).

There are several methodological issues concerning quantifying data on foreign land acquisitions. First, much of the data comes from media, and size of land deals are likely to be inflated to increase news value. Secondly, media might have overemphasized Africa as a recipient region, perhaps because countries with hunger problems such as Sudan and Ethiopia make land acquisition issues a newsworthy topic. But anecdotal evidence suggests that investors view Africa as the frontier of FDI in farmland rather than mainstream (which is Eastern Europe, Australia and North America). So the regional distribution may reflect media interest more than real-world transactions. Third, deals back in time might be under-reported, because media reports on land deals did not take off until 2007 (Cotula 2012).

Some studies draw their data from national inventories. These data come from government agencies and must be treated with caution as they might underestimate the scale of acquisitions. This is due to constrained data access and exclusion of deals under negotiation. Furthermore, databases may differ in what kind of data they bring into their inventory. Land Matrix includes mining, timber concessions, and tourism. These sectors are not included in the other studies that Cotula (2012) refers to, and they might be underreported in the Land Matrix because of less public interest in these issues. It is also difficult to have a precise measurement of land deals because some land acquisition projects collapse before they even started properly, such as the investments of Sekab and Bioshape in Tanzania (Mousseau and Mittal 2011).

Official records in Tanzania contain uncertain and unclear information and lack available data on exact amounts of land that have been allocated and leased to different investors. This makes it difficult to quantify the amount of land that has been acquired by investors and to know the extent of land deals currently taking place. The different levels of government do not seem to be coordinated. Recent investment projects that are in the process of acquiring land, but are not yet given formal title deeds, are likely to not be registered in national databases. In addition, village level of government in Tanzania can allocate up to 50 hectares of land, and district level of government can allocate up to 250 hectares of land, without coordinating with the national level of government. These issues result in the fact that quantifying precisely the land deals in Tanzania is difficult. FDI has increased a lot in Tanzania the last decade. The total foreign investment in Tanzania has grown from 0.1% of Tanzania's GDP in 1990 to 32.9% in 2005, and between 2004 and 2008. FDI inflows to Tanzania grew from USD 331 million to USD 744 million (Theting and Brekke 2010:5).

Actors and geography

The geography of land acquisitions has been debated, and both the origin and destination of the investment capital is under scrutiny. Governments, corporations and investment funds are actors in land acquisitions, as well as the "local community" which is the final destination of the FDI. The investment capital does not only originate from the North (North America

and Europe), but also the Middle East and BRICS. This paragraph will describe some of the trends concerning actors and geography of worldwide land acquisitions.

According to Deininger *et al.* (2011) the key players are the agribusiness corporations and investment funds. Cotula (2012) reminds us that there is limited data on the nature of investors, but he calculated that agribusiness accounted for 90% of the deals in Ethiopia, Ghana, Madagascar and Mali, with government owned investments making up the remainder. However, corporations are dependent on cooperation from national and local politicians in the host country, as well as support from the home government. The host countries need to have legal framework that accommodates foreign investment in land, and home governments provide diplomatic and financial support through pension funds. However, corporations are not directly politically governed. Even when home governments are directly involved with land acquisitions, they usually rely on investment vehicles that are not under direct civil service control, such as state owned enterprises and sovereign wealth funds (SWFs). Analysts must be careful to conflate the role of TNCs and their mandate, and public policy incentives. Although politics and business can be tightly linked in China, this is not the case for the Norwegian based company Green Resources. The Norwegian government is not directly involved with the land acquisitions of Green Resources. But the Norwegian government has an agreement to buy substantial amounts of carbon quotas from Green Resources' plantations in Tanzania, in the form of a business deal. The holder of a Nobel Prize in economics, Milton Friedman is famous for his statement: "the business of business is business". The legal and moral obligation of private corporations is to make money. But borderlines between the motivations driving private companies and state-owned enterprises are not clear-cut. Some commentators see SWF as mainly motivated by public policy concerns, particularly when it comes to food security. But SWF managers are also likely to be interested in returns through capital appreciation and agricultural production (Cotula 2012). The neoliberal ideology promotes a specific way to organise public and private sphere. In later parts of this thesis I will return to the neoliberal organisation of the society and its consequences.

"The local community" is an important geography of land acquisitions, since it is the destination of land acquisitions. There is often a tendency to romanticize the "local

communities” as a place of FDI. The rural local community is often represented as a place of tranquillity, free of the globalized world’s haze and capitalistic greed. One commentator writes that:

“Inherent in the development narrative is the idea that subsistence or near-subsistence farmers are necessarily poor, and would benefit from jobs. Cash is viewed as the currency of modernity, identifying wealth with money, rather than intact habitat and common lands, and the security of landholding.” (McMichael 2011:4)

There is a “Everything was better before”-discourse in many parts of the literature. This is reflected in the cover of ILC-report (Anseeuw *et al.* 2012) that is depicted in figure 5 below.



Figure 5: Front-page image of ILC 2012 report (Anseeuw *et al.* 2012).

It seems like the small-scale farmers were living a peaceful and low consumption life style in accordance with nature. But economic globalization in the form of foreign land acquisition is threatening this tranquil form of life. However, this representation sugar-coats the life of the rural poor. Subsistence farming is hardship. It is a life in poverty, with high vulnerability and risk of disease and hunger. But small and traditional is presented as beautiful, and the

subsistence farmer is romanticized as something authentic and untouched by the invisible clammy hands of global capitalism. Although there are elements of truth in this representation, it must not be mistaken as the whole truth. Taking Tanzania as an example, one can see that according to UN statistics, 68% of the Tanzanian population live in extreme poverty (less than USD 1,25 per day), and 74% live in rural areas. In 2010 CIA factbook 80% of the Tanzanian workforce is in agriculture. Thus, large proportions of people living in extreme poverty are residing in the rural areas, and they are working with farming. Mwami and Kamata (2011:4) writes about the Rufiji River basin in Tanzania: “Despite these innumerable natural resources, its inhabitants who approximate 500,000 people, of whom 93% constitute small-scale farmers and pastoralists, are some of the poorest in the country.” The complexity at the local level needs to be acknowledged and unpacked in order to make proper analysis of interests and agency (Borras and Franco 2012).

Food security

Food security is one of the main concerns in the debate on commercial pressure on land. Especially non-food crops such as *Jatropha* for biofuel production are heavily debated. Tree plantations have some of the same character as biofuels, in the sense that they are not edible crops and their production is driven by TNCs that capitalize on new markets because of market based mechanisms to mitigate climate change. Karumbidza (2010:5) expresses the worry of food security: “The recent rush for Africa’s land through bio-fuel and carbon credit climate change related projects has led to a situation where tree plantations are taking precedence over agriculture with very scaring implications for national and local food sovereignty.”

Refseth (2010a:1) points out that:

“Intensive area demanding climate mitigation measures such as carbon storage can cause the poorest and most vulnerable in the society lose their rights and access to land and resources that they have used for many years. This is critical because access to land usually means economical safety and insurance against poverty and food shortage for many in the South. Area intensive climate mitigation measures may therefore lead to dispossession of these peasants’ property, so they are pushed into deeper poverty.”

However, there are many aspects that determine whether people are food secure or not. Many of these aspects are overlooked in the current debate, and some of these aspects will

be highlighted in this section. Whether access to land is equal to economic and food security is debateable. There are approximately 1 billion people affected by hunger in 2009, and 265 million of them are living sub-Saharan Africa (Matondi *et al.* 2011), and many of them are small scale farmers. Yet, when the food prices rises they are impoverished, rather than enriched. This paradox, that food producers become poorer when their produce increases value, stems from that fact that most smallholders are net food buyers (Rice 2010), because they need to buy salt, sugar, soap, oil and the like. Farmers are required to sell their produce, because they need money to pay debts, which they often have after lending products such as soap, sugar and fertilizer. Small holders need cash to pay for food and services they cannot produce themselves. Furthermore, seasonal changes in food prices impact food prices locally. In rural Tanzania, I was told that maize cost 3500 Tsh in harvest season when there is abundance, while 5000 Tsh in season when the stocks are empty. Well-off merchants buy when the crops are cheap and store the crops until they can be sold at a much higher price. But poor peasants cannot stock their produce because they need cash to pay debts. So actually, cash income from working at plantations can contribute to food security for rural dwellers. However, Action Aid (2010) documented a case in Tanzania where the corporation Bioshape employed 70-80% of the villagers to work in the Jatropha plantation as casual labourers. The village of Mavuji was dependent on local maize production, and when Bioshape bought so much of the local labour, there was little work force left for maize production. Between 2006 and 2008 when 1750 people were employed on the Bioshape plantation and Kilwa became a food deficit region. If people become net food buyers through leaving their own farms for employment, they become vulnerable to fluctuations in food prices and their food security will be particularly affected in times when food prices go up. Subsistence farmer are subjected to a triple squeeze: Increased prices on input (fertiliser and fuel), increased prices on foods bought in stores, and lower prices for the produce they sell.

Another underlying assumption is that if foreign corporations grow edible crops, these will be accessible for the consumption for the domestic market. This is not necessarily the fact. Food production and food security is not necessarily directly linked. Amartya Sen demonstrated this by using the case of Ethiopia and Bangladesh, when he wrote that:

“Starvation is a matter of people not *having* enough food to eat, and not a matter of there *being* not enough food to eat (Sen 1981:434).

Another scenario is whether non-food crops are grown on idle farmland with potential for food production. This is a quite common source of critique of foreign investment. TNCs’ activities occupy land that *could* be used for food production. It is perceived as an indirect displacement of food crops. However, if these idle lands could easily become food crops, it is difficult to understand why the farmland has not already been cultivated.

This is closely linked to the ‘agrarian question’, whether there is need to modernize peasant farming into larger farms and more advanced technology to increase yields. There are many voices that advocate that the peasant economy must continue. The main question that arises is that: what will millions of subsistence farmers do, if they are no longer needed, because more efficient food production can deliver bigger quantities cheaper? The debate is polarized and what is often forgotten is the third way, of middle sized farms where farmers may use technology to create efficient and mechanised farming, but without creating large-scale mega-farms as promoted by large TNCs.

Land availability

There is an ‘idle land’ discourse concerning foreign land acquisitions that support private investment in land. This section explores the issues concerning land availability. Havnevik (2011) agrees with the World Bank estimate of 202 million hectares available farmland in sub-Saharan Africa. Haugen (2010) writes that governmental figures in Tanzania claim that 550 000 km² is available for agriculture; this is almost two thirds of the entire Tanzanian country. This is very high figure, higher than what is ecologically justifiable. The reason why the government operates with such high figures is probably because the government wants to attract foreign investors. Even though there exists underutilized land in sub-Saharan countries one must be careful to assume that this land is vacant or unused.

The “empty land” discourse that governments and corporations draw upon legitimates land acquisitions of “empty” land. Land is not thoroughly mapped and therefore, rural land that is used by local is not recorded and taken into account. Even if governmental data have

information about people using the land, the land use by locals is framed as inefficient and that the land is underutilized. This kind of categorization leaves land available for acquisitions by someone who can use the land better. If the land is empty and idle, it makes sense for investors to turn that land into productive land so that everyone may benefit. Hall (2011) writes that the ‘vacant land’ discourse is fundamentally flawed and untrue. Local land use might be complex and riddled with conflicts, cooperation and livelihood practices that do not show on satellite imagery.

For example pastoral activity and nomads rely on shifting habitat, so land they use might be understood as idle. People also derive livelihoods from collection of firewood and fruits in the “unused” forest and rangelands. A teacher in the Kisarawe region in Tanzania explained that:

“The land I lost was used by my father before villageization and the maintenance of this farm gave him enough income for my school fees. When we moved off this land it never became bare but I continued to use it for charcoal production, coconuts, firewood and honey. But after the investors gained these 8 hectares of what they called idle land I have lost a source of income and received nothing in return” (Mousseau and Mittal 2011:40).

Furthermore, profit-seeking investors are not likely to target marginal and degraded land. Rather they seek out strategic areas with fertile land and linkages to transport infrastructure and possibilities for irrigation.

There are also environmental concerns. Ramadhani (2010:9) writes that replacement of grassland with foreign tree species will result in: “loss of grazing grounds, loss of indigenous species used by local people as sources of firewood, poles, fruits, water conserving species and rare species. Grasslands are complex ecosystems supporting quite a number of birds, insects and plant species.” Loss of biological diversity because of large-scale monoculture is a common worry. However, any form of land use change will disrupt existing biodiversity. This problematic because with this perspective rural communities can never change their land use, a perspective that seriously restrains the range of economic activities that local populations can develop when trying to ascertain sustainable livelihoods.

Summary

This chapter has presented the wider debate on foreign land acquisitions. The discussion on foreign land acquisitions is a rather polarized debate, with NGOs having a profoundly critical perspective on land acquisitions, while many businesses and politicians argue a win-win perspective. The win-win discourse emphasises positive possibilities, such as employment, transfer of technology and capital to poor countries. The critical discourse highlights that formalisation of land in rural areas of the global south is usually accompanied by dispossession of people from their land, and that benefits of land acquisitions are reaped by the TNCs. The focus on large-scale farmland acquisitions means that land acquisitions for other industries such as mining and tourism is often left out of the debate, even though they are likely to have similar consequences for the local communities. I discussed some methodological issues with quantifying land acquisitions, for example the lack of reporting through national inventories and over-reporting by sensational media headlines. I commented that food security is complex, and most importantly: less food production is not the same as less food security. Increased access to cash for rural inhabitants is likely to improve food security, and more food production does not mean increased access to food, if the food is intended consumption outside the rural vicinity. Land availability is likely to be overrated in national inventories because informal economic activities such as pastoralists, and collection of fruits and fuel wood is not captured by satellite images. The next chapter will give an account of the fieldwork and methodological approach of this study.

2. METHODOLOGICAL APPROACH

The fieldwork of this study explores how local communities are affected in the processes of foreign land acquisition. Since this thesis gives an account of the perspectives of locals, it was necessary to conduct a fieldwork among people living in the locality of foreign acquired lands. The fieldwork was conducted in Tanzania between mid-August and mid-October 2011.

I undertook my fieldwork with qualitative methods and semi-structured interviews. The reasons for choosing semi-structured interviews are both practical and scientific. The practical reasons are that I have more training in qualitative interviewing and it is more flexible. Flexibility was an asset to my study, considering I did not know the field very well from before. Flexibility was also a scientific reason for choosing qualitative interviews, as I conducted exploratory research. I used what I learned in earlier interviews to specify my questions in later interviews. Another scientific reason for choosing qualitative interviews was that I wanted to know the perspectives of village leaders and their accounts of how deals were made and managed. I needed information from workers, both casual and permanent in rural and urban areas. Therefore it made sense to make it a qualitative study with semi-structures interviews. I conducted both individual interviews and group interviews. This chapter will elaborate what I have mentioned here. The data production process is presented in a linear way; however the process was characterized by overlapping happenings and thoughts.

Production of (trustworthy) data

This is an account for how I conducted my data production in Tanzania. Trustworthiness is an issue in any research project, because it determines the soundness and “goodness” of a study. In quantitative research the soundness of the study is assessed by considering the reliability, validity, objectivity and generalizability of the research. Lincoln and Guba (1985, in Marshall and Rossman 2011:40) put forward alternative constructs for qualitative research, replacing the above mentioned notions with credibility, dependability, confirmability and

transferability. The translation into a qualitative genre is important, because trustworthiness means different things for quantitative and qualitative studies.

The need for validity in qualitative research has become widely debated with the postmodern turn in the humanities, some have even claimed that validity cannot be assessed in qualitative studies, since they are fundamentally subjective (Marshall and Rossman 2011). And the objects of qualitative research are subjects. This radical postmodern perspective on qualitative methods has met criticism. Morse and Richards (2002:168, in Marshall and Rossman 2011:41) wrote that “claim[ing] that reliability and validity have no place in qualitative inquiry is to place the entire paradigm under suspicion”. Rather than assuring validity with proper techniques, the key issue for qualitative research is to ensure credibility by rendering the data production process transparent, so that readers may assess the quality of the data themselves.

Preparation

Foreign land acquisition is a politically sensitive issue. As I mentioned in the introduction, I made an effort to do research on this topic in Ethiopia. However, the issue is too controversial politically for me to obtain a research permit, and the surveillance systems are too elaborate to be able to dodge them, at least for a person who is inexperienced with the Ethiopian context. As a consequence of these restrictions, I decided to do my fieldwork in Tanzania. Land acquisitions are a sensitive issue in Tanzania as well. The topic of land acquisitions by national elites and foreign corporation were frequently addressed in the daily press while I was there. Safety, for both the informants and me, was one criterion for selecting a country of fieldwork, and possibilities to negotiate the needed access for the research. I also needed to find a specific region or corporation where foreign land acquisitions were taking place in Tanzania. After some research I decided to study the enterprises of Green Resources. The fact that Green Resources is a Norwegian TNC was a relevant criterion. Since I am Norwegian, I supposed it would be easier for me to negotiate access to informants working in the company. Due to restrictions on time, money and experience, I needed to make sure I would be able to gain access quickly to informants. Hammersley and Atkinson (2007) writes about the contingencies of research; that researchers should not underestimate the influence of practical matters on research. I

therefore sought help from contacts working in NGOs, who could connect me to helpers during the fieldwork. Before the departure to Tanzania I made contact with the NGO Norwegian Church Aid in Dar Es Salaam. They turned out to be a door opener in order for me to get in touch with informants. I also tried to make academic contacts at different universities and institutes in Dar Es Salaam and Morogoro, but I was unsuccessful.

Selecting sites and gaining entry

When I arrived in Tanzania, I did not know where Green Resources' plantations were situated. It was important for me to avoid making contact with the corporation before I had spoken with people in the villages. If I contacted the company first, it would jeopardize the trustworthiness of the data because I might be perceived as a friend of Green Resources, and this might entail reduced criticism towards the corporation. I joined Norwegian Church Aid on a field trip in different parts of Tanzania. Norwegian Church Aid made all the practical arrangements, provided transport, interpreter and the needed contacts in order to find the way and gain access to informants. The trip lasted for one week and Green Resources have many plantations, and most of them are in remote rural areas. Due to time restrictions we had to make a selection of some villages affected by Green Resources' enterprises. Most villages do not have motels, so it was necessary that plantations were reachable within one day's drive in and out. The plantations were situated in different parts of the country. Some of the visited villages and plantations were in the southern highlands and some on the northern coast of Tanzania. This initial trip to the rural areas around the plantations of Green Resources gave me insight on how I could further the process of data collection. One methodological issue that came to mind when doing fieldwork with an NGO was that informants might interpret our presence as activist; that we would do something about their situation. Therefore, informants were explained that we were present merely to gather information, to prevent the informants from exaggerating problems concerning land acquisitions. After the first week-long field trip to four villages with the Norwegian Church Aid, I continued the fieldwork on my own.

There are some differences between the two main regions where I conducted fieldwork. The plantations in the southern highlands commenced operation in the mid-1990s, while it commenced in the mid-2000s on the northern coast. There are different climatic conditions

in the two regions; the southern highlands have higher altitudes, cooler temperature and more rain compared to the low, hot and dry northern coast. The physical geography is however not particularly pertinent for this study. What is relevant is the temporal aspect mentioned above, because the plantations are in different phases and the villages in the southern highlands have 15 years of experience with Green Resources, while they only have approximately 5 years on the northern coast. Furthermore, Green Resources have different district managements, and therefore the accounts of the management vary between districts.

For reasons of anonymity, I will not differentiate between the two regions in the main discussion of findings. In addition, I am not comparing the two regions; they are examples of the same company within the same country. However, it may be valuable to have data from several regions, villages and plantations, because it enables the researcher to see patterns across geography and practices of people. In the second round of interviews I collected informants through other networks than Norwegian Church Aid's network. I got in touch with the owner and manager of an International Conference Centre in one of the regions where Green Resources have plantations. The owner is a Norwegian that has been working with development projects in the region for many years. She knew someone who could help me with translation and make appointments with informants in the local communities. The interpreter was a retired government official who used to be responsible for schools in the district where I conducted the second part of my fieldwork. His background was very important in order to gain access. He was a trusted man who used to have a high position in the district. He had phone numbers to necessary people and knew how to get to the different places. He was respected and trusted by the politicians and Village Council members who gave of their time for my research. Since my translator already had the trust of the informants, I did not need to build trust from scratch myself. This allowed me to cover several villages and plantations in a short period of time, so mostly I did not have to spend more time in the village than the time the interview took. Therefore, I have very little observational data, other than what I saw at the plantations and villages the short time I spent there.

Halfway into the fieldwork I made direct contact with Green Resources. I had to make contact with the head office of Green Resources in order to access workers at the

plantations. My interpreter told me that it would be impossible to make appointments at the plantations without the blessing of the managers. He explained two reasons: First, by Tanzanian customs, it would be perceived as sneaky and dishonest of me to make contact with employees without speaking with their boss. Second, the employees, especially the permanent employees, would probably not talk to me without the permission of their boss. I needed to let someone from the district manager's office to introduce me to the workers, but also underline that I had no connection to Green Resources, and that I was an independent researcher.

Sampling

Miles and Huberman (1994) write that *purposive* sampling is one of the fundamental characteristics of qualitative sampling. Rather than having *randomness* as ideal, like quantitative studies, purposive sampling means that informants have been chosen consciously to shed light on the research questions. Marshall and Rossman (2011) assert that sampling should be based on the research questions and theoretical knowledge, and decisions should be made explicit by the researcher. I had therefore no intention of creating a representative image of all foreign land acquisitions across the southern hemisphere. This study sheds light on one specific example of land acquisition with empirical data. The aim is to complement the existing image of large-scale land acquisitions.

The main object of my fieldwork was to gather information on local perspectives on the land acquisitions. I suspected that different groups within the local community and workers with different positions in the corporation would have different perspectives. People with different positions in the communities are likely to have different perspectives on the land acquisitions because they are affected in different ways. I therefore sought to conduct interviews with different groups, to uncover differences in perspectives. The main categorization of my informants is as follows: First, village leaders, both political and administrative. Second, villagers without direct ties to Green Resources, as I sought perspectives of what "normal" villagers thought about the land acquisitions. Third, company employees: management (district and national), permanent workers and casual workers. I also spoke with NGOs and academics to get general information about issues concerning investments in land in Tanzania. I spoke to someone at the Norwegian embassy as well,

since the Norwegian government is planning to buy carbon quotas from Green Resources. However, these are background interviews that are not central to the discussion in this study, but they gave me a quick introduction to relevant themes and perspectives.

There was not much room for me to select my informants within the chosen categories, since there were not so many people in each category. There is only one Village Chairperson, and one Village Executive Officer (political and administrative leader) in each village. And there were usually maximum five permanent employed workers at each plantation I visited. I made interviews with village leaders in all the villages I visited and I got interviews with permanent and casual labour. With regards to the villagers without direct links to Green Resources, there was plenty to choose from. I spoke with religious leaders. Religious leaders are people with positions in the Christian or Muslim community. The reasons for choosing religious leaders were twofold: First, Norwegian Church Aid had ability to get in touch with religious leaders in many of the villages, and they have a trusted relationship. Second, religious leaders are respected villagers that often have knowledge about the concerns of people, since the religious community is an important meeting place for local inhabitants.

One group that is not incorporated into this study is women as local resource users. This is mainly because mostly men are village leaders and work at the plantations, with few exceptions. However, since women often are the ones who gather firewood, plants and the like from local areas, I might not have picked up how much they actually use the land given to Green Resources is used for income generating activities, such as honey, fuel wood, medicinal plants and the like. An overview of informants and interview guides are in the appendices, in the back of the thesis. I have removed names of villages and informants, so that they remain anonymous.

Interpretation

My low proficiency in Kiswahili posed the data production process with several challenges. Many of the informants did not speak English, so I had to use an interpreter when talking to informants who did not speak English or Norwegian.

According to Burja (2006), there are three main issues working with an interpreter. First, there are practical issues, such as time and money, for instance salary for the interpreter. Second, there are technical issues. One example is whether the interpreter should translate word for word or statements as a whole. Interpretation does not simply transmit information from one language to another, but also shapes the meaning before the information is received by the researcher. Interpreters make their own summaries and create their own images before they translate it into English. This can be positive, because interpreters have knowledge of the local context and the translation might be more precise than if he translated word for word. But it can be negative since the researcher might lose the opportunity to make his own analysis, since the interpreter leaves out information that he find irrelevant. Third, there is need to negotiate the relationship between interpreter and researcher. The researcher must give up some of the control over the data production process, but also make sure that he controls the process enough to make sure the research is not taken over by the interpreter.

As mentioned above, my interpreter was a retired state official. We did not have much practical issues, as he had plenty of time given that he was retired and was happy to receive payment for the job. Before the interviews we went through the questions and how he would introduce me, the research project and I explained anonymity. We also made a plan to visit the different villages and plantations and he arranged meetings with informants. We agreed that he would translate a few sentences at a time. However, as we got comfortable with the interview setting and our roles, sometimes I felt that I lost information because informants were talking too much between every time he translated. Especially in group interviews, the conversation between the informants was translated to me in brief abstracts.

During some of the interviews I got quite frustrated because he rarely translated, even though I asked him to translate more often. Sometimes, I think he felt uncomfortable interrupting the discussion in the focus groups, and he wanted to wait until they were finish discussing the topic. However, for me it was impossible to know what they were talking about. Sometimes the discussion took directions that were irrelevant for my research. When it was too long between the translations I knew that I would lose information. However, if the interpreter was going to translate every sentence, the dynamic of the conversation would

be hindered and I would lose valuable information for the dynamics in the group. A few times, when I asked a question, the interpreter answered right away, without asking the informant. I had to remind him that I wanted to know what the informants thought, not him as an interpreter. However, I felt confident that he translated the relevant information because we talked about the interviews after we had parted with the informants.

Interviews

Kvale and Brinkmann (2009:2) refer to the qualitative interview as a “construction site of knowledge”, where two (or more) individuals discuss a “theme of mutual interest”. Patton (2002, in Marshall and Rossman 2011:144) categorizes the interviews into three general types: (1) the informal, conversational interview; (2) the interview guide or topical approach; and (3) the standardized, open-ended interview. I relied on the topical approach, with an interview guide; I made appointments and had prepared a list of questions for the informants to answer. This approach was preferable to me since it both allowed me to cover questions I felt was necessary, and also opened for the informants to bring up topics I had not planned while still giving valuable information. This was an advantage for me who was new to the field. Using interviews in this way can provide simple, factual information, but it can also be used to explore attitudes and opinions (Willis 2006). In my case, factual information was important; what did the process of agreeing on the land deal look like? Who participated, and in what way? These questions are factual, but it was also important for me to understand their attitudes. Are they content with the land deal? Are they worried about future land shortage? These questions are based on attitudes and opinions, which is important if one wants to capture the local perspectives. However, there is no guarantee that the interview will generate true information; this depends on how the interviewee sees the interviewer (Hesselberg 2011). Therefore, it is very important to make sure the informant is comfortable and hopefully minimize the chances of untrue information. I did this by approaching informants respectfully, taking into account local customs and rules. The temporal dimension is also important. Green Resources started their enterprises in Tanzania in the mid-1990s. This is a long time ago, and it is questionable whether people remember correct detailed accounts of facts of what happened. However, attitudes, opinions and how they remember the process of land acquisitions are also relevant to this study.

The interviews were conducted during an intensive three weeks, divided into two periods. The rest of the stay was spent organizing field trips within Tanzania. I conducted my fieldwork from mid-August to mid-October, which is the dry season. In the dry season, there is little work for casual labour. The work that is conducted in the dry season consists of clearing land for planting and fire control. The rainy season is the busiest, since planting and weeding is the most labour-intensive work at the plantations. So there were few people working on plantations when I was there. The intensity of the interview periods left me with little observational data, but made it possible to visit several villages in the districts. The interviews were conducted during daytime. The place of interviews was in the plantation office for workers, and in the village office for village leaders. One of the group interviews with religious leaders took place in the back office of a church. The interviews were undertaken in places where nobody could eavesdrop the conversation, so this would add to making the informant feel comfortable speaking freely.

Mohammad (2002) is concerned with the importance of reflecting upon the positionality of researchers when interviewing. She writes that the position of those being researched is always defined vis-à-vis the researcher. The importance of the informants' perception of the researcher became apparent to me during one of the village visits. This was because I was not able to make contact with the local village leaders before arriving. I found the village chairperson and the village executive officer, and conducted an ad hoc interview. But they were very reluctant to answer questions, and seemed sceptical. Later on I learned that the local village leaders thought the interpreter and I might have been spies of some sort. This interview was not successful, but I learned the importance of making appointments, and how crucial it was that informants knew my true intentions. The other interviews went well; the informants spoke freely and engaged. Wherever I went, the informants had many opinions on the topic.

Another issue I was confronted with during my fieldwork was sitting allowance. My interpreter was clear when it came to sitting allowance. He meant it was necessary for me to give "something to buy some sugar" to those who attended my interviews, who did not have work. He said that villagers are poor people, and they should receive something from me when they are giving me their time. Therefore, I gave sitting allowance to non-workers,

equivalent to 0,5 – 1 USD. I was not comfortable giving sitting allowance, since this might make them come to interviews for the wrong reasons. However, I never said they would get sitting allowance when we made appointments, but it was probably implicit when making such appointments, at least according to my interpreter. All in all, I do not believe this had any specific impact on the answers of the informants, since it seemed to be the custom.

I started the interviews by introducing myself and the interpreter and the topic we were going to talk about. I asked if I could record the interview and assured anonymity. However, most informants were not worried about anonymity, except for a few who did not even want to be on tape. I asked them to introduce themselves, and then started with factual questions and moved onto more sensitive questions, as we got familiar. When finishing the interview I gave the informants the opportunity to ask questions too, or comment something that I did not ask about. The interviews lasted somewhere between 20 minutes for the shortest interviews with casual workers up to one and a half hours in group interviews.

I interviewed the casual workers both individually and in groups. I made sure to interview casual and permanent workers separately. This was because they have different terms of contracts and the permanent staffs are bosses of casual staff at the plantations. I had to interview them separately to ensure their honest opinion. The village leaders were interviewed in groups, because they are working together in running the village. Sometimes they corrected each other when discussing amounts of hectares that were leased and they helped each other remember the deal they made with Green Resources. However, if they left something out because their colleague was in the room is difficult to know.

Ethical considerations

Beneficence, respect for persons and justice are key words for ethics in research (Marshall and Rossman 2011). This is a challenge when the fieldwork is conducted in a foreign context, because it can be difficult for the researcher to get an overview of ethical implications of the process.

One important ethical issue is to ensure informed consent. This means that I made the informants aware of possible outcomes that could be troublesome for them. It is important

that the consent is given free from pressure. In my case, it was important to underline that I was in no position to ameliorate their situation vis-à-vis Green Resources; I made sure to communicate this message to both village leaders and workers at the plantations. However, it is difficult to know what kind of issues the informants might face as a result of participating in this study. I am not familiar with the culture and language. However, by the guidance of my interpreter, I am confident that interviews were conducted with respect for local culture and that informants are not posed with problems as a result of their participation.

Confidentiality is also important to ensure for the informants. One of the workers I spoke with was the union representative. He was afraid of being critical with the management in his district, because he heard that the previous union representative was fired because he was critical. However, I made sure that their identity would not be revealed, even though most of them were not concerned so much about anonymity. I have taken out names of villages and persons, but I refer to their position or title. Since I visited many villages, it is impossible to trace who said what. It is a worry that I might set informants in a tricky position because of their participation in the study because the risk is never zero. However, the alternative is not doing research on this topic, which is also ethical questionable.

Summary

In this chapter, I have given an account of the methodology underlying the fieldwork for this study. This thesis is a qualitative research, and the main task of this chapter has been to make the data production process transparent, so the reader will be able to assess the quality of the data. Some of the main weaknesses for this research were time constraints leading to short stays in each village, leaving little observational data. I also interviewed few women. Some studies have shown that pressure on women increases when access to commons is reduced because women often use commons for income generating activities. Other issues relates to interpretation, and interviewing across cultures. However, through preparation, plan for sampling and ensuring informed consent from the informants I believe I managed to obtain reliable data for this study. The next chapter gives an account of the theoretical foundation for the discussion of consequences of foreign land acquisitions.

3. NEOLIBERALISM AND MARKET SOCIETY

This chapter aims to give an account of the theoretical framework for making an analysis of winners and losers of foreign land acquisitions. Harvey (2006:78) writes that: “The problem is to find a way to make sense of diverse, particular and often quite idiosyncratic geographic variations in relation to more general processes of capital accumulation, social struggle and environmental transformation.” This chapter outlines the ideology of neoliberalism, and mechanisms in capitalism that explain the causes and consequences of capitalist expansion. This is relevant because transnational corporations spread capitalistic forms of production through venturing into foreign direct investment in the periphery of the global economy, exemplified as rural Africa in this thesis. The questions I answer in this chapter are therefore: What is neoliberalism? Which mechanisms within capitalism can explain causes and impacts of foreign land acquisitions? I draw on the theoretical constructs of Polanyi and Harvey, to understand some of the inherent mechanisms in capitalism relevant to foreign land acquisitions.

Neoliberalism

“Where the previous generation of liberals fought against royal rule, the neoliberals want the minimum extent of people’s rule, but to let the market prevail to the largest extent possible.” (Smedshaug and Friis Nilsen 2011:15, my translation). Neoliberalism is an ideology directed towards an elected government in a democratic society. At the core of neoliberal policies lies privatisation and deregulation of the economy. The basic idea is that the state apparatus *laissez-faire*, which means that economy should govern itself, rather than being governed by the state. Harvey (2007:2) defines the main characteristics of neoliberalism:

“Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices. The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defence, police, and legal structures and functions required to secure private property

rights and to guarantee, by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks the state should not venture. State interventions in markets (once created) must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefit.”

Neoliberalism as political ideology grew after the Second World War, and came into function in the 1970's in Great Britain and the US. Reagan and Thatcher are famous for incorporating the neoliberal ideology into political practice. The proponents of neoliberalism at that time saw it as a solution to stagflation in the economy. Neoliberalists meant that the extensive and costly state apparatus and protection of wages were the cause of the stagflation, so the answer to the problem was to reduce state expenditures and protection of wages. Marxists, on the other hand, meant that the backdrop of the crisis of stagflation was the crisis of over accumulation that stemmed from the fordistic production regime. High wages and standardised consumer goods and exploitation of the colonies in the South ensured stable growth in the North from 1945 to approximately 1970. Fordism was based on wages that in the consumer industry was high enough, so that workers themselves could afford to buy the goods, and hence create a home market. This logic is called *expanding reproduction* because the economy is assumed to grow without anyone losing. The logic was based on an ever-increasing demand of goods. It was the limitations in this logic that pushed the restructuration of the world economy in the 1970's. The solution was to create new demand, or decrease production cost by deregulation of workers rights or move production to places where goods could be produced more cheaply. This lead to a shift in accumulation regime from fordism to postfordism. An accumulation regime is a temporarily relative stability in the ever-changing organisation of production, and it manifests itself as a period of corresponding stabile capital accumulation (Lipietz 1994, in Berge 2007). An important trait of postfordism is that the most important industries do not sell the products to those that produce them. The focus is on niche products for an external market of high-income groups, enterprises and export. Shivji (2009:59) writes that: “what is produced is not consumed, and what is consumed is not produced.” Shivji comments specifically on agrofuels, which is one of the main products derived from foreign land acquisitions:

“The development of agro-fuels, supported by the USA and Europe, is witnessing multinational agribusiness in new scramble for land in Africa [...] This is likely to lead to another round of massive primitive accumulation, displacing producers from their lands, destroying forests and ecology, introducing genetically modified crops with far-reaching implications on food chains [...] Disarticulation between structures of production and structures of consumption will further deepen, this time around the very basic human need, food.” (Shivji 2009:60)

Therefore, there is no longer any direct link between production and consumption, and there is no need to maintain high wages and welfare for the products to be sold. The main issue here is that it is the group of niche industries that takes the lead in accumulation processes. Therefore: “the legislation and state regulation, as a part of the social form of regulation, will have a tendency to accommodate this shift [to postfordism], because laws and legislation is perceived as necessary so that these new industries will function properly, at the expense of workers right’s and welfare” (Berge 2007:21, my translation).

In his book *The New Imperialism* (2003) Harvey shows that the logic of accumulation under fordism, the expanding reproduction, was not able to avert the tendency of *over-accumulation*, which inevitably ended in crisis in the 1970’s. The basic meaning of over-accumulation is the lack of opportunities to make profitable investments. Therefore, capitalism needs something outside itself in order to accumulate, which leads to the fact that capitalism necessarily and always creates it’s own “others”, either by making use of pre-existing outside or by actively manufacturing it. Harvey calls the logic of capital accumulation within the new postfordist accumulation regime for *accumulation by dispossession*. A capital accumulation strategy takes advantage of the disarticulation between production and consumption.

Accumulation by dispossession

Harvey (2003) developed the Marxist theory of primitive accumulation through his own term accumulation by dispossession. Harvey put forward the important point that primitive accumulation is not just happening in one phase of history; rather it is continuous in society today. The basic idea of the theory is that the capitalist mode of production leads to a transfer of wealth from the many to the few. Rather than actually producing values, there is a

transfer of assets, not creation of new capital. Someone is dispossessed of his or her belongings, to the benefit of others.

Since the 1970s, capitalism has not been very good at growth. For instance, the average wages in the US has stagnated since the 1970's, while the richest 1% has increased its share of the economy. Corporate leaders in the US made on average 42 times as much as the average worker in 1980. In 2001 the same leaders made more than 531 times as much as the average worker. From 1980 to 2005, more than 80% of the total increase of wealth went to the richest 1% of the population. This is a sign of that the vast amount of capital that has been accumulated since the 1970's is from accumulation by dispossession.

Harvey refers to Marx when he states that at the heart of capital accumulation lies primitive accumulation, which is a process of commodification and privatization of land and the exclusion of peasants with force; the conversion of various forms of property rights (collective, common, state) into exclusive private property rights; suppression of rights to the commons; commodification of labour power and suppression of alternative (indigenous) forms of production and consumption; colonial, neocolonial and imperial processes of appropriation of assets (including natural resources); monetization of exchange and taxation, particularly of land; the slave trade (which exists particularly in the sex industry); Usury, the national debt and ultimately the credit system as radical means of primitive accumulation (Harvey 2006:43). Harvey points at concrete processes of accumulation by dispossession. The most relevant for this thesis is the striking resemblance to what happens in many cases of foreign land acquisitions when Harvey writes about: "the conversion of various forms of property rights into exclusive private property rights". This will be explained in the coming chapters. However, the use of violent force is not always prevalent in accumulation by dispossession today. Rather, it is being legitimized through legislation and public policies. Therefore, the growth in the economy is based on dispossessing people of their rights and benefits, which makes them disadvantaged in the economy and more dependent on a job in the capitalist production.

Polanyi wrote his book *The Great Transformation* in 1944. The great transformation is the rise of market society, where Polanyi saw the gradual *disembedding* of the market economy from

the social system: “All along the line, human society had become an accessory of the economic system.” (Polanyi 2001:79). Polanyi points out that commodities are empirically defined as something that is produced for sale. Land, labour and money are therefore empirically not commodities. They are fictional commodities. You cannot dispose of labour, without disposing the person who sells it. Labour is humans and nature is the environment. Neither produced for sale on a market. To put these fictional commodities on the market leads to what Polanyi called the satanic mill: “But no society could stand the effects of such a system of crude fictions even for the shortest stretch of time unless its human and natural substances well as its business organization was protected against the ravages of this satanic mill” (Polanyi 2001:76-77). Polanyi therefore envisioned a spontaneous counter-movement to ensure human dignity because the destructive process of selling land, labour and money lead to demolition of society.

Harvey establishes state agency within neoliberalism with political and ideological content, where the reconstruction of power structures along class divisions in a neoliberal climate is central. In *A Brief History of Neoliberalism* (2007) Harvey focuses to a greater extent on actors. He identifies the most political active segment in the capitalist class under postfordism as the financial elite and entrepreneurs in the expanding industries. The precondition of capitalist accumulation is freely functioning competitive markets with institutional arrangements of private property rights. The unification of business interest and state interest is demonstrated by the famous statement of Charles Erwin Wilson, former CEO of General Motors, and later Secretary of Defence in the US when he claimed that: “I thought that what was good our country was good for General Motors, and vice versa.” Basically, “free markets need a strong state” (Smedshaug and Friis Nilsen 2011:19). The absence of clear private property rights – as in many developing countries – are seen as one of the greatest institutional barriers to economic development and improvement of human welfare, which makes it the core task of the state to intervene and create markets if they do not exist, and that the neoliberal state should persistently seek out internal reorganizations and new institutional arrangements that improve its competitive position vis-à-vis other states in the global market.

Uneven Geographies of Development

“Reducing friction of distance, in short, makes capital more rather than less sensitive to local geographical variations. The combined effect of freer trade and reduced transport costs is not greater equality of power through the evolving territorial division of labour, but growing geographical inequalities” (Harvey 2006:100-101). The point that Harvey is making is that the cumulative logic within capitalism leads to that capital rich regions grow richer and poor regions grow poorer. This development is caused by the mechanisms inherent in capitalism. Also Mydske, Claes and Lie (2007) write that neoliberal globalisation is an uneven development process that gives greater opportunities for some and setbacks for others. This means that the gap between the rich and the poor is increasing globally.

The main point of this chapter has been to highlight that neoliberalism creates uneven geographies of development, leading to a transfer of wealth from the many to the few, because the inherent tendency of capitalism is to polarize wealth at one pole. The next chapter analyses how neoliberalism is manifested in public policies on the global level and in Tanzanian judicial systems.

4. GLOBAL NEOLIBERALISM, TANZANIA AND LAND ACQUISITIONS

This chapter analyses how land acquisitions happening in local communities can be traced back to global and national level policies of neoliberalism. Foreign land acquisitions are results of specific ideology and politics; it is a wanted process. The markets that make land acquisitions profitable are created by politics. Increased food prices, biofuels prices and incentives, the financial crisis making farmland a more attractive investment opportunity are contingent factors. The cause is capitalist expansion manifested in the neoliberal hegemony in political economy.

Mwami and Kamata (2011:6) note that:

“[...] the scramble for land by capitalist multinational corporations - which has been taking place in Africa in general and Tanzania in particular, is not an isolated affair. Neither can it be conceived as an aberration nor an accident in history. It is instead an expression in concrete terms of the laws of motion of *capital*. In other words, it needs to be understood as a continuation of the age-old and on-going processes of primitive accumulation, whose present expression form is accumulation by dispossession entailing commoditization of everything from the essential services like education, health services, including the commons like land, water ponds and bores.”

Land acquisitions are privatization of land, leading to enclosures of commons. This chapter establishes the global policy climate that enables and promotes foreign land acquisitions. The question guiding this chapter is: how do politics at global level facilitate the creation of markets for farmland in the global south? The focus is on tree plantations since the empirical data for this thesis is produced from a timber and carbon sequestration firm. Different kinds of products have different kinds of markets. Biofuels, food produce, minerals and tourism all have different kinds of incentives for acquiring land in the global south. These reasons are geographical. As mention in the theory chapter, Harvey (2006) writes that reduced transportation costs and freer trade creates greater geographical sensitivity. Some of the

political mechanisms that have created markets in the global south are the Kyoto protocol's Clean Development Mechanism (CDM).

The Carbon Economy and the Clean Development Mechanism

The issue of global warming is gaining momentum in policy making on a global level. One way of mitigating climate change has become carbon offsetting, which compensates for emissions by making reductions elsewhere. Carbon offsets generate carbon credits that can be traded on the carbon market. One carbon credit is equal to one metric ton of CO₂ or equivalent of other green house gases. The first carbon credit transactions happened on a voluntary basis for organisations who wanted to cut their emissions. The beginning of this was in the early 1990s, and the commitments and proposed mechanisms led to increased investment in the sector after the United Nations Framework Convention on Climate Change (UNFCCC) was signed at the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro 1992. The signing of the Kyoto Protocol in 1997 prompted a surge in carbon markets, where carbon credits are traded on carbon exchanges in a similar way to stocks on stock exchanges (Refseth 2010b). The main point of the CDM is to assist developing countries to achieve sustainable development whilst at the same time assisting developed countries meeting their emission limitations.

Calculating the carbon storage of planted trees is a complicated technical calculation. All the relevant aspects have to be taken into account and measured properly: sub soil biomasses, above soil biomasses, calculating the loss of existing biomasses and evaluating other sensible uses of the land. The CDM has been criticized for sustaining business as usual for politicians and private enterprises who try to meet demands for action from civil society while preserving the status quo.

The aim of this section is not to give a detailed account of the CDM and other carbon credit systems. Rather it is to argue that the CDM is a neoliberal policy, turning ecosystem services into commodities. Polanyi wrote about *The Great Transformation*, namely that all aspects of society are becoming market based. Nature is a fictitious commodity, in this case specified as the ecosystem service of trees capturing CO₂ and emitting O₂. Harvey (2007) claim that under neoliberalism, it is the responsibility of the state to create markets where they do not

exist. Eco system services are turned into commodities sold at market value. The risk is that sustainability is losing priority to capitalist accumulation. But the CDM is promoted as sustainable development, with win-win situation.

Green Resources has been present in Tanzania since 1995, and Green Resources is not only making money from carbon sequestration. But the Norwegian director mentioned that they scaled up their operations in Tanzania from 2005 because the CDM became easier to understand, and therefore trust for businesses. This is a sign that the public policies are promoting land acquisitions.

Vertical integration of value chains

Individual agribusinesses decide to acquire land direct production activities (as opposed to increasing coordination with suppliers along the value chain). This is known as vertical integration of the value chain. Contract farming used to be a preferred way of arranging business deals, but not now agribusinesses are acquiring land themselves. According to De Schutter (in Cotula 2012) is volume of production and security of supplies the key concerns. The need to comply with traceability requirements and with food quality and safety standards increases incentives for greater vertical integration along the value chain. These factors are weighted against political risks and the longer-term investment required by it. Green Resources controls the production chain all the way from ownership of plantations in rural Tanzania to sale of carbon credits on global markets. This is important for Green Resources, since they need to own the tree farms in order to be able to sell carbon credits. Oakland Institute (Mosseau and Mittal 2011) identified some contract farming schemes in Tanzania that seemed to be working preferably for the farmers. Farmers controlled their own land, and sold *Jatropha* seeds to biofuel producing companies. As long as the price for the product is high, contract farming can be preferable for farmers, since they control production. However, if the price for the product drops, the contract farmer is left with nothing, especially if the farmer has started cultivating an inedible plant, such as *Jatropha*. However, land acquisitions are very much bounded in places, which is why TNCs have been reluctant to vertically integrate the production chain. There are several geographical considerations when investing in place (infrastructure, shipping possibilities, proximity to markets, language barriers), in addition to political and economic. The fact that land has

become available for sale combined with the recent profitability of land ownership has pushed TNCs to a greater extent integrate the value chain vertically.

Tanzanian context and land acquisitions

Global aggregate number strips analysis of much of their content and nuance and mute realities at the local level. This is why I will make an empirical account of land acquisitions in rural Tanzania by a Norwegian land-acquiring corporation. This coming sections tie together global structures with national level politics and judicial aspects in Tanzania. It is important to have knowledge of the land politics in Tanzania in order to understand why and how land acquisitions are happening at the local level. Therefore is an account given of Tanzanian land tenure systems, as well as an explanation of the political context of foreign land acquisitions in Tanzania. The part of the thesis aims at giving insights to the *causes* of land acquisitions, while the next chapter will give an account of the *perseptives*.

Brief history of land tenure in Tanzania

Land tenure insecurity in rural parts of Tanzania remains a widespread social problem and source of political tension. Tanzania is a mainly agrarian country, with more than 70% of Tanzanians residing in rural villages and over 80% deriving their livelihoods from agriculture and pastoralism (Sulle and Nelson 2009). Tanzania's land tenure framework is characterised by historic centralisation of state control over rural lands since colonisation. The country was first colonized by Germany (1885-1916) before the British took over after Germany lost the First World War. The Land Ordinance of 1923 governed Tanzanian land matters during British colonial administration, and effectively centralised land administration under the British crown. A heritage from the British legislative framework was the dualistic system of land governance, where formal land tenure systems exists alongside customary land tenure systems. The ordinance still forms the basis for much of today's legal framework as the President still acts as the supreme decision maker of land matters. This gives him the opportunity to administer land in public interest. However, the meaning of "public interest" is often disputed (Refseth 2010b).

After independence, in the 1960s and 1970s, President Nyerere facilitated central authority over land. In the late 1960s Nyerere was concerned with what he saw as the increasing

inequalities in land ownership and the early growth of an agricultural middle class. He saw this as incompatible with his vision of a modern, socialist system, without class divides. Private rights to land were in some cases nationalised, while customary land institutions were greatly weakened through Operation Vijiji (Villagisation). The government wanted people to live in Ujamaa (socialist) villages to facilitate services and communal farming. Villagisation started out as voluntary, but in 1973 Nyerere pronounced that “living in villages is an order” (Sundet 2006). The villagisation process turned into a series of military style operations to resettle the rural populations. During this period millions of rural Tanzanians were relocated without formally reconciling their forced movements with existing patterns land rights and tenure. In the 1980’s when the villagisation project was abolished, many people want back to their original homeland, often to find that other people that settled there. The result has been land tenure confusion and disputes all over the country. The villagisation process laid the framework for today’s administrative unit of villages in Tanzania (Sundet 2006, Mwango and Mwakatumbula 2010).

Since the 1980s, there has been a neoliberal turn of land tenure in Tanzania. Liberalised economic policies promoting formalisation of tenure and large-scale farming, and new agricultural policies opened up for granting larger tracts of land for private farmers. This led to a rapid increase in land acquisitions by local, national and foreign elites. Widespread discontent with the land tenure policy and administration resulted in the convening of a Presidential Commission of Enquiry into Land Matters in 1991 (Sulle and Nelson 2009, Sundet 2006).

The State of Neoliberalism in Tanzania

According to Sundet (2006) socialism was out by the beginning of the 1990’s. Investment promotion was the new buzz word. The Ministry of Lands set up a technical committee to prepare a new modern and investor friendly land policy. At the same time, The Minister of Lands, in consultation with the President, set up a Presidential Commission of Inquiry into Land Matters, which became known as the Shivji Comission (after it’s chairman Prof. Issa Shivji). The work of the Shivji Comission is praised as a very thorough and inclusive research that argued in favour of decentralisation and democratisation of land tenure changes. However, the technical committee disregarded some of the substantive recommendations of

the Shivji Commission, largely because the President was not willing to divest the control of land away from the Executive power. The Land Act No.4 and the Village Land Act No. 5 was passed in 1999. Sundet (2006:9-10) summarizes the highlights of the Land Acts:

“The law provides for a land market, but retains discretion to refuse or cancel sales at will, without assistance from the courts; the law does not require land to be auctioned, so it is free to allocate land at prices below market value; land administration remains highly centralised. All titles must be sold by the Land Commissioner (the senior land official in the Ministry of Lands).”

The current president Jakaya Kikwete launched the policy initiative *Kilimo Kwanza* - Agriculture first. Agricultural investment has become top priority for the government, with considerable effort to promote agriculture to foreign investors. The basis of the Kilimo Kwanza is agricultural modernization through technological and political reforms, public-private partnerships, value-chain approaches and foreign investment (Mousseau and Mittal 2011).

The Land Acts established three categories of land: *Village Land*, *Reserve Land* and *General Land*. Village land is defined as the land within the demarcated boundaries of any of Tanzania's 11 000 villages, which are defined by local government legislation passed in the 1970's and early 1980's. Approximately 70% of all Tanzanian land is Village Land. Reserve Land is set aside for national parks, game reserves, forest reserves, marine reserves, and so forth, and makes up 28% of Tanzania's total land area. General Land is any land that is not Reserve or Village Land. It is under the jurisdiction of the national government, and represents 2% of Tanzanian lands (Matondi *et al.* 2011). General Land also includes somewhat confusingly Village Land that is “unoccupied or unused”. This “loophole” has led to conflicts because land that is seemingly unoccupied according to satellite images may be in use by nomads, pastoralists or provides income-generating activities such as collection of firewood and fruits. Most land that is acquired in Tanzania is classified as Village Land. Village Land is under the managerial authority of the Village Councils, which are answerable to the Village Assembly. The Village Council consists of politically elected members by the Village Assembly, and the Village Assembly consists of all villagers eligible for voting, the resident adults (Brockington 2008). Figure 5 is an image of the political decision making bodies at Village and Ward administrative level.

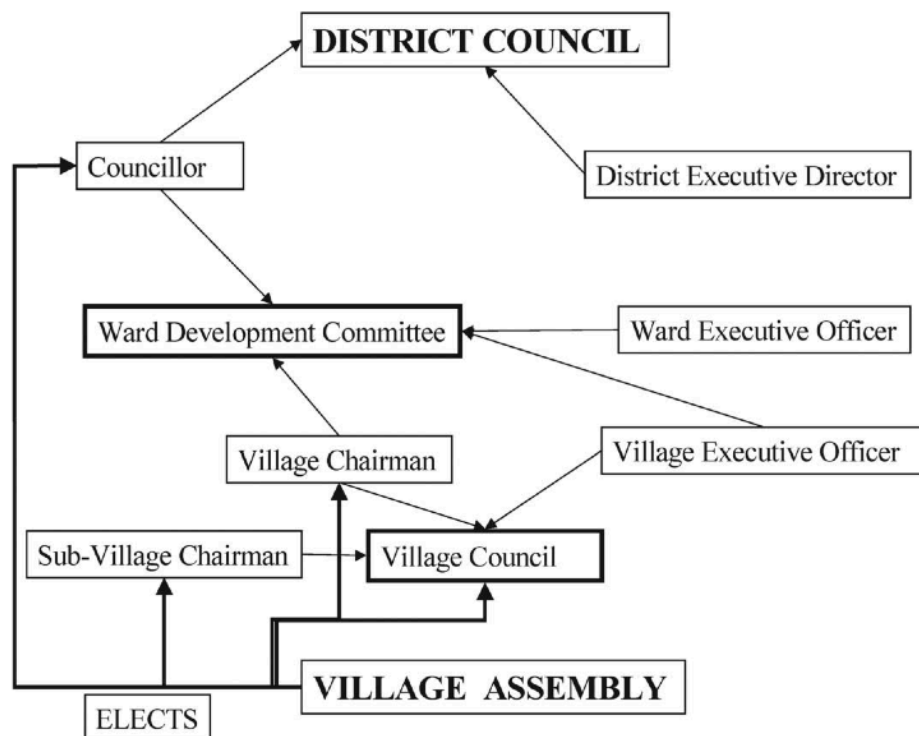


Figure 5: Elected and appointed officers (Brockington 2008:109).

The Technical Land Acquisition Process

Sulle and Nelson (2009) argue that Tanzania has some of the most progressive legislation in Africa regarding community consent to land transfers to investors. This is because the Land Act of 1999 mandates consultations for the specific purpose of ascertaining that the land area is free and has no occupants. Sundet (2005) mentions Liz Wiley, consultant at the UK Department for International Development, who says that the Land Acts are “basically sound”, that they are the best of their kind in Africa in terms of “vesting authority and control over land at local level”. Karumbidza (2011:4) criticizes the empowerment of local administration to govern land: “In Tanzania to transfer of land management to the local level has open the flood gates for corporate to swindle away land from unsophisticated rural governance structures in the name of bringing in development”. Sundet (2005) criticises the previous perspectives, and makes reference to Shivji (1999 in Sundet 2005:3) who claims

that: “administration, management and allocation of land is placed squarely in the Executive arm of the Central Government under a centralised bureaucracy.” Sceptics of the new Land Acts claim they are instruments for the central government to promote developmental strategies without maintaining a decentralised democracy.

Foreign investors can only hold a granted right of occupancy on General Land. However, most of the land acquired by foreign investors is Village Land. If the investors want to acquire Village Land, this land must first change legal status to General Land. The process takes a lot of time, because it has to pass through village and district level of government before the Commissioner of Lands at the national level of government gives his approval. The land transfer is supposed to happen after the affected villagers and the Commissioner of Lands have agreed on the amount of compensation to be paid. If villagers are not satisfied by the compensation determined by the Ministry of Lands, they can appeal to the High Court for adjudication on the matter (Sulle and Nelson 2009:37). However, even though villagers have the *opportunity* to make an appeal to the courts does not mean that they have the *ability*. Most rural villagers are very poor and illiterate, so it is difficult to imagine the villagers taking a resourceful corporation to court.

There are different experiences with the land acquisition process in different regions of Green Resources’ operations. As I mentioned in the chapter on methods, this is probably linked to the fact that acquired land in some of the districts was acquired ten years earlier than others. Also, the district management of Green Resources is different within the districts. There is also some confusion concerning the land acquisition procedures because Green Resources changed name from Fjordgløtt AS, then to Tree Farms AS in 1997, with their subsidiary Escarpment Forestry Company Ltd in the southern highlands. Then the company changed name again to Green Resources AS in Norway and Green Resources Limited in Tanzania (Stave 2000). The land in the villages in the southern highlands was acquired by Escarpment Limited and then taken over by Green Resources Limited, which is the same corporation. While Green Resources acquired land in the Tanzanian southern highlands in the 90’s, the land other districts of Tanzania is currently in the process of being acquired. Green Resources has not yet obtained formal title deeds in several areas, where the process has been going on since mid-2000’s. The application is now in the hands of the

Commissioner of Lands. Green Resources is following proper legal procedures for land acquisition in the villages, according to the accounts of the village leaders. The Village Councils has been approached and there has been arranged Village Assemblies that approved the plan of selling land to Green Resources.

There are two ways of acquiring land for foreign investors in Tanzania. Land acquirers can either apply for land through Tanzanian Investment Centre or the Village Council. The process of acquiring land through the Tanzanian Investment Centre is described here. The land allocated by Tanzanian Investment Centre has the status of General Land: (1) The investor introduces the business idea to Tanzanian Investment Centre; after fulfilling all the requirements at the Tanzanian Investment Centre, such as verification of business registration and verification of investment capital, the investor is given a “Certificate of Incentives”. (2) The investor then goes to a district where there is an appropriate quantity and type of land in order to carry out a formal land survey. (3) The surveyed land is registered at the Ministry of Lands. (4) The investor’s agricultural project is registered and approved by the Ministry of Agriculture. (5) The investor applies for a derivative right of occupancy from the Tanzanian Investment Centre (Sulle and Nelson 2009:40).

The official steps in the process of acquiring Village Land by foreign investors are the following: (1) the investor identifies the village where there is potential land that the corporation wishes to acquire. (2) The investor meets the Village Council to seek approval of the request for land. (3) The Village Council and the investor forward the proposed investment to the District Council Land Committee, which approves the and for the investment purpose in the village. (4) The Village Assembly approves the allocation of the piece of land to the investor. (5) The President transfers the land from Village Land to General Land. Compensation is paid to the affected village based on agreement between the village and the Commissioner of Lands. (6) The investor obtains a “granted right of occupancy” to the land from the Commissioner of Lands at the Ministry of Lands, Housing and Human Settlements Development (Sulle and Nelson 2009:41).

Both ways of acquiring lands are used by foreign corporations engaging in direct investment. The management in Green Resources commented that they had tried both ways, but they

preferred negotiating directly with the villages. The Norwegian manager of Green Resources in Dar Es Salaam said that:

“Tanzanian Investment Centre has some land you can access directly through the state. We did this mistake once. The state hadn’t clarified with the local level about the availability of the land, so there was a lot of conflict. We cannot have conflict at the local level.”

The downside by going through the village is the long duration of the process. Acquiring land can take up to five years before the foreign corporation holds the right of occupancy. But it seems like the wait is worthwhile in order to run a smooth operation.

Before the company address the Village Council, Green Resources used middlemen in order to identify land that could be acquired by the firm. They hire locals to do investigation to identify available land before Green Resources approach the village leaders. The Village Council will make an opinion of the proposal of Green Resources, and negotiate the terms of the deal. Then the Village Council presents their negotiated deal at the Village Assembly. The Village Assembly must consist of half of the village’s population eligible for voting. They either accept the deal or not. All the villages I visited accepted the deal.

Foreigners may not own land in Tanzania. This has implications on how TNCs can operate in Tanzania. They must start a joint venture with a Tanzanian firm, or create a Tanzanian subsidiary. Tanzania Investment Centre was established under the Tanzania Investment Act of 1997, to be a one-stop shop investment promotion agency. Tanzanian Investment Centres is mandated to identify land for investment on a *derivative title*, which means that the land will be reverted back to Tanzanian Investment Centre at the end of the investment project (Mousseau and Mittal 2011).

Locals may also formalize land rights according to the new Land Acts. Sundet (2005:9) writes that:

“A number of significant issues set the system provided by the Village Land Act apart from the one described by the Land Commission. Firstly, it concentrates considerable powers in the Village Council (akin to those of the

Commissioner at the national level) to impose detailed control of the use of land and to define the terms and criteria for ownership of land. Secondly, issuing certificates on demand will invariably favour well-off and well-connected villagers. If the village elite gets the first opportunity to register their land, there is a real risk that an internal process of landgrabbing will be set off.”

Thus, the land formalisation processes the well-off, because there is a need for resources in order to obtain formalized land rights: the land needs to be measured, and the villager's relation to the land needs to be documented. The poor struggle with putting food on the table, and have little hope for registering their land. Doing errands at public offices in the cities, with no knowledge about the procedures is an unlikely scenario for the rural poor. Ergo, the system favours well-off villagers and corporations that have the resources to go through the process of formalization.

The unproductive and inefficient nature of the smallholder agriculture is a common narrative in Tanzanian development policy. That smallholders and pastoralists does not contribute sufficiently to the development of the nation, and are in need of “transformation” by more modernised economic systems. This rationalises the appropriation of land from rural communities and redistribution to private investors (Shivji 1998, in Sulle and Nelson 2009, Sundet 2006). Mwani and Kamata (2011:9-10) summarizes the neoliberal turn in Tanzanian politics:

“In the context of Tanzania the laws to facilitate dispossession were already in place and were reformed in the 1990s to make it easier to the acquisition of land for investors. In the late 1980s the state in Tanzania, under the dictates of the World Bank and the IMF, adopted market-based land reforms. One thing these reforms sought to achieve was to facilitate land transfers. The objective was to commodify land and in so doing usher in a whole process of expropriating the peasants, and in turn strengthen private property rights of the agrarian capitalists (large commercial farmers). These reforms were in line with the new form of accumulation i.e. the plunder of the natural resources of the periphery and the dispossession and displacement of the peasantry. This however, was to be seen conducted according to the laws.”

Land acquisitions are legal procedures in Tanzania. The accumulation by dispossession is legalized by state apparatus, which promotes the expansion of neoliberalism and market society. Illegal land acquisition is easy to criticise. It is more complicated to criticise legal land acquisitions. Any critical account of land acquisitions needs to demonstrate how investments

impact the local level. Even though the process is legal does not necessarily mean that it is legitimate.

Summary

Tanzania has implemented neoliberal policies since the late 1980's. This is shown by the privatisation and liberalisation of the Tanzanian economy and legislation during the last three decades. This means that Tanzania is taking steps closer to what Polanyi called market society, where the fictitious commodity *land* is turned into a product on a market. The theory of accumulation by dispossession shows that over accumulated capital needs to find a place of investment, and empirical data show that land in rural Tanzania is a desirable target. Naming land as underutilised is important in order to justify the land acquisitions, because corporations are believed to be able to create capital from this underutilised land. The process of land acquisition is less problematic if no one uses the land from before. The next chapter provides an example of corporate land acquisition in rural Tanzanian communities, as it discusses local perspectives on Green Resources' investments.

5. LOCAL PERSPECTIVES

This chapter will assess a specific case of land acquisitions in rural Tanzania. The empirical data is drawn mostly from my fieldwork, but I include other studies on Green Resources in Tanzania that are produced by local and international NGOs and researchers. The main question I answer in this chapter is: What are the local perspectives on Green Resources' enterprises? The first chapter of this thesis regarded frequently debated topics in the literature on foreign land acquisitions. This chapter reflects the generic picture created in the first chapter, but displays empirical data from the specific case of Green Recourses in Tanzania.

The local level is operationalized as villages, the administrative level within the state. The impact on the local level has many aspects. I keep in mind some of the common parameters to assess land acquisitions, as summarized by Havnevik (2011). These are transparency, protecting the rights of local communities (including customary land rights), the benefits should be shared between local communities and investors, environmental sustainability should be ensured, and food security should not be compromised. This chapter should be read as a comment to existing literature on the field, as discussed in the earlier parts of this thesis, as well as an independent account of foreign land acquisition.

Participation and Negotiation

Issues regarding participation can be identified within three aspects. First, it is the neglect of marginalised resource users, such as women and pastoralists. Women are often responsible for income generating activities drawn from the commons, such as collection of firewood and honey. Since these activities have an informal character and women are often not part of politics in the local communities, the result is that these kinds of activities are overlooked in land use assessments (Cotula *et al.* 2009, Havnevik 2011). Village Assemblies are supposed to discuss the impact on the village. However, Village Assemblies do not necessarily ensure meaningful participation in the village. One of the villagers told me that "It's normal that the village leaders "bulldoze" the discussion", with the result that several of the local inhabitants

feel left out of the process. The local elites have a role and agency in the land deal process. There is political disagreement among local politicians and the Village Council does not necessarily represent one, unified interest group. The Village Council and Village Executive Officer are in some cases involved in the decision making process. The Village Council is politically elected, and villagers that are supporting other parties might feel unrepresented in this process. There are also issues concerning the fact the many village politicians do not read and write properly, and they have little opportunity to be well informed about laws and regulations governing land. In one village, the village leaders did not realise that the land they had given away was a permanent action. After the 99 year land lease to Green Resources, the land will be General Land, and is therefore under the direct jurisdiction of national politicians not the local politicians. One of the village leaders said that: “We have never negotiated with a corporation before, we feel like we are going into a situation where we are blind.” Therefore, it is a severe power imbalance between the corporation who have well educated lawyers and experts who know the land laws and is familiar with negotiation deals and village leaders who do not have the same skills and access to the same information.

The second aspect of issues regarding participation is linked to pressure of village leaders from national government. The national leadership is known to pressurise or disempower the leadership at the local level. In one of the villages, some informants said that they did not participate in the process of giving away land. Some villagers told that they had not been a part of the process; rather they were instructed to sell their land by political authorities. And that they felt left out of the process of making the land deal. In Tanzania, the national government may legally expropriate Village Land that is not utilized, and put it to use in “the public interest”. Critics have identified this “loophole” in the law, and points out the centralised structure of decision making in Tanzania (Haki Ardhi 2011, Tomitho 2011).

The third aspect of participation relates to the way corporations approach the village leaders. Green Resources arrange meetings with the village leaders in order to discuss the land deal. They discuss amount of hectares, what kind of plants to be grown, prospects for employment in the village and the price of the land, in the form of infrastructure development, such as schools, clinics, roads *etc.* The offer seems lucrative for poor villages, so they enter into land deals. These kinds of ‘sale meetings’ are frequently criticised by

NGOs for not properly debating the possible negatives for the community. Furthermore, the consultations tend to be one-off, rather than continuous. Many locals have little or no education, so it is difficult for local populations to absorb and understand the full range of implications of the land deal. It is problematic to expect the corporation to sit of both sides at the negotiation table, even though certain minimum standards of corporate social responsibility should be expected. This is why NGOs advocate better governance as a policy response to foreign land acquisitions, so that local leadership make decisions that are accountable to the community (Mousseau and Mittal 2011, Zagemma 2011). The consultations between the village and the corporation have often been criticised because the corporation serves food and sometimes give sitting allowance. Some commentators consider this as cheap bribes, to win the vote of poor villagers. I spoke with a person who used to be in charge of acquiring land for Green Resources. He said the company was faced with the dilemma that if few people showed up for the Village Assembly, then Green Resources would have problems with getting formal title deeds. This is because district authorities would reject the application for land if few villagers had participated in the Village Assembly. And few people would bother to show up on the Village Assembly, unless the company organised a meal.

Karumbidza (2010:14) writes that:

“The company, Green Resources, understanding of consultation with the community is very shallow as it ignores the power relations between local leaders and the communities, as well as the issues around gender [...] The rural areas [of Tanzania] do not have Community Property Institutions but traditional authority systems that link to government institutions. They are also paid and supported by central government. The payment of traditional authority has the impact of shifting loyalty from community to those that pay the allowances.”

The different issues regarding participation in the villages points in the direction that there are many issues with participation, and it is difficult to establish what “meaningful participation” means in a rural African context. This is because there are issues with participation both within villages and between village level of government and the national level, as well as issues between the village and the corporation.

However, even though there are participation issues, most of the villages granted Green Resources less hectares of land than what the corporation applied for. According to information given by the village leaders, they often ended up selling half of the land that Green Resources wanted to acquire. The study of Oakland Institute (Mousseau and Mittal 2011) also reports that corporations often have to settle for less land than what they wanted. For instance, British Sun Biofuels applied for 18 000 hectares for Jatropha crops, but were granted 8211 hectares, which is inadequate in order to generate sufficient profits to cover future running costs. Furthermore, the local people I spoke to explained that they had gotten proposals from Green Resources to receive payment in exchange for their land. But so far, people have not sold their land because they think the price is too low. This means that there is *some* participation and negotiation, at least to some extent. The corporation and national elites are not completely bulldozing locals' opinions, since they negotiate the deals or deny selling land.

Dispossession?

A central question within the field of foreign land acquisitions is whether the local resource users are dispossessed of lands that they previously used. Cases have been identified where local's marginal livelihood is reduced by the corporation's take-over (Bergius 2012).

Some of the villagers told that they lost bamboo plants from which they used to make an alcoholic brew. They sold the brew and made an income. They got compensations for the lost bamboo, but it was less than what they made from the brew. Other than that, this study could not find other signs that the Green Resources' trees farms displaced local livelihood activities. This finding is supported by Refseth (2010b). Village leaders and villagers told that nobody had sold land owned by individuals in the village. As mentioned, the compensation offered by the corporation was considered too low. Villagers told that the land Green Resources acquired was unused, and no one would miss it. Sometimes people would collect firewood there or let their cows graze, but they were not worried, because they have many other places to go. With regards to food security, it seems to be increased in some of the villages where Green Resources has plantations. This is because of better access to markets and transport (Refseth 2010b:81). Because of employment, people in the village have cash for purchases. Villagers could also benefit from using Green Resources' cars by hitching a

ride to bring their products to market. This enables them to sell their products, and at a better price because of increased areas of demand. There are also more people passing through who can buy their products. Even though this is not an intended effect of Green Resources' enterprises, the effect challenges common critique, that foreign investment leads to decreased food security.

Village leaders commented that Green Resources respects local graveyards, and in some villages they told me that the company respects indigenous trees. However, the different villages had different experiences on this point. There were villages that had some bad experiences with Green Resources cutting down and uprooting indigenous trees and making charcoal. One district manager confirmed that they had to remove some indigenous trees in order to make way for the new plantation trees. But they tried to minimize this practice as much as possible. Most of the informants told me that they did not worry about land shortage, because they had plenty of other land to use. However, in some villages, the leaders told me that they were starting to wonder about the future, if all their land was going to be covered by trees.

Another aspect discussing dispossession is the temporal aspect is important concerning land acquisitions. The leasing agreements are 99 years in the case of Green Resources in Tanzania, with opportunities for extension. And as previously mentioned, the status of the land remains as General Land after the 99 years, and will not be converted back to be Village Land. A few village leaders expressed that they feel they have a shortage of land for coming generations, because they do not know what their situation will look like in 30 years or more.

Employment

Employment is regarded as one of the main benefits of foreign land acquisitions. The enterprises of Green Resources are creating employment opportunities for people living in the rural areas, as well as office-jobs for people living in the cities where Green Resources keeps offices. Green Resources have casual labour working in the plantations and at tree nurseries. A few people have permanent employment at the plantations working as forest technicians, and plantations managers. This section will give an account of the different kinds of jobs, as there are big differences in the employment.

Casual labour

Casual workers in Green Resources plantations have tasks such as planting trees, weeding, fire control and clearing land. Planting and weeding is undertaken in the rainy season (March - June), this is the high season for the casual labour. I visited the villages in the dry season, which is low season. The casual work is mainly fire control and clearing land of bush, to prepare for planting season. Casual workers are paid the national minimum wage of 3080 Tsh per day, equivalent to 1.9 USD, converted September 1st 2011. The casual labour is hired on seasonal contracts, usually for three months at a time. Their daily pay is calculated from piecework, which means that workers are not paid for the time spent in the fields, but according to the amount of work they have done. Workers said that during planting season they are paid 3080 Tsh per 150 planted trees, which is supposed to be one day's work. However, some workers said that digging 150 holes and planting 150 trees in one day is not always possible, but some said it was okay. If the workers did not finish the 150 trees in one day, they had to come back the next day and finish the work. Some casual workers assumed that two to three out of ten workers would not be able to finish in one day. The workers complained about this. During 2011, the Green Resources management created a new system of payment for the casual labour in one of their districts. The workers explained that they are paid 34 000 Tsh per hectare land they have cleared. The workers explained that they had made a team of ten people, and that they used approximately two days to clear one hectare. This equals a daily pay of 1700 Tsh per worker, which is far less than what they used to be paid and it is far below the minimum wage. However, there was much confusion regarding the new payment system, making it difficult for them to explain, since they did not really know themselves. Even though workers earn wages, some of the casual labour commented that they feel exploited, because they have no other options to earn money. One casual worker said that "they are being crucified" while they assume that Green Resources is making good money. The casuals working at Green Resources said that many workers had nonetheless quit Green Resources because the pay was so low.

In order to put the salary in perspective, Refseth (2010b) made an estimate of what small-scale farmers would make per day from a standard two-hectare plot. The farmers explained that they could get 5 sacks of maize per one hectare land. They would sell each sack at 32

000 Tsh. Land preparation takes ten months, and have 26 working days per week. This would given an average of 1200 Tsh per worker. This does not take into account cost of fertiliser and risks associated with cultivation.

The casual labourers have seasonal contracts for a few months at a time. The contract does not give the workers any predictable income in the long run. Villagers explained that sometimes they are told by the company to not come to work for a month. The perspective of Green Resources is quite different; the national management of Green Resources explained that the casual labour is first and foremost subsistence farmers, but they have the possibility of taking employment at Green Resources' plantations to make some additional money. From Green Resources' perspective, working at their plantations is an opportunity to make extra cash, not primary source of income. This corresponds with what many of the casual labourers said. Several of the workers explained that they had time to cultivate their own land while working at Green Resources, but some workers complained that they were not able to do both. At the same time, many of the workers had other household members who could take care of their own farms. Other workers stated that they could hire someone to take care of their farm, when they had employment at Green Resources' plantations.

Most of the plantation workers are working as casual labour. In one of the villages, villagers told that Green Resources had five workers with permanent employment out of 40-100 employees depending on high or low season. In another there were 17 permanently employed out of 400 in high season. In a third village, there is one person permanently employed while there are around 30 casual labourers in the low season. One must be careful to treat these numbers as solid facts. These are estimates by casual workers, who do not have the exact numbers, but they made an estimate from what they know. However, the numbers shed light on how few permanent staff is employed at the plantations compared to casuals.

Casual labour has access to little or no health benefits. Usually there is some kind of first aid kit in the plantation offices, but workers complained there is no trained staff in case someone get injured. Health facilities are far away from the plantations. They do not have health insurance through employment, so if they get injured, they will not get any help. I met a woman who said she had injured her leg while working in the field. The foot was very

swollen, and she had not been able to work for three months. Therefore she was not offered more work from Green Resources and did not receive any help from them to cure her leg. Even though farming is not necessarily high risk, manual labour poses a risk of bodily injuries.

In some villages Green Resources organizes transport from the village to the plantation. But the transport is not safe; usually it is an old truck where the workers are transported on the cargo space. The rainy season can be especially dangerous for the workers because of slippery roads and no safety equipment in the vehicle. In other villages there is no transport to the plantations even though the plantations are quite far away from the villages, so workers spend a lot of time just walking to and from the plantations.

The low skill-character of employment created by foreign investment is often criticized. Minimum qualification jobs are criticized because they do not lead anywhere for the workers. This kind of labour is easily replaceable because there is abundance of labour power, so wages are kept at very low levels. Green Resources does not have any intention of raising wages. Managers in Green Resources told me they cannot raise wages because it would be unprofitable. If the price of labour is pressured upwards they would have to mechanise the production, because the current labour is inefficient. Hi-tech operations employ fewer people, but also presuppose the existence of skills to operate machinery. This would probably imply bringing in more labour from the cities, further squeezing the opportunities for locals to be employed.

Permanent labour

The formally employed workers tell a different story from the casual labour. Most of the permanently employed have education and skills that are sought after by Green Resources, except for some permanently employed who are working with fire control. The permanent labour has better terms of employment. They have access to health treatment if they are injured and they get a sizable and predictable monthly income, between 220 000 Tzs – 400 000 Tzs per month depending on their position. This is somewhere between four to eight times as much as the casual labour.

The permanently employed workers that I interviewed were educated, and came from cities. They were fairly young, in their mid twenties, who spoke English, in contrast to the casual labour. Some of the village leaders complained about the fact that people from outside the village got the good jobs, and that the manager for their district had brought with him staff that he knew from his hometown. For Green Resources, the lack of skilled employment is a challenge for their operations, according to the national management. Green Resources needs qualified people from the cities on their plantations. The permanent staff was satisfied with their jobs, and the opportunity to work at Green Resources plantations. There is also staff in the manager's office who run the plantations in a certain district, and the headquarters in Dar Es Salaam. These managing offices are employing people with jobs that require skills and education. The contours of rural – urban linkages come into sight, as well as divides between social strata. It seems like the best jobs are in cities and for educated workers.

All of the workers complained that the salary was late every month. Usually it was two weeks late. This was a problem for both permanent and casually employed. They take loans in the local shop for food and soap or they have to pay rent, and they are expected to pay by the first of every month. When they get paid late, this is a problem for the workers.

Management

The management was repeatedly mentioned as an issue both by the village leaders and casual workers in one of the regional branches of Green Resources. The informants said that the new management since 2010 is evasive of questions from both employed and village leaders. According to village leaders, the manager never meets with them, so it is very difficult to coordinate their agreements. They are very disgruntled with this. They said he fired several of the former employed staff and replaced them with his friends from his hometown, where he used to work as a teacher in forestry subjects at a University.

One union representative was worried about his job if he demanded too much of the management. Several of the other employees were not content with the union representative's work, but he was afraid of losing his job because he knew that this had happened before. There were also issues regarding deductions for the NSSF (National Social

Security Fund). All employers and employees have to pay 10% of their salary to the NSSF. The money will be paid back to the workers when they retire. Even casual labour is deducted 10%. However, many of the workers said that they did not have their NSSF-card, and without it, they cannot cash out their pension. I spoke to casual workers that on several occasions had addressed their Green Resources to get the NSSF money, but they never received it. The workers did not know how to obtain the card, they knew very little about this system in general. This is because the casual workers have little opportunity to inform them selves, because they cannot read. Besides, the travel to the closest town with an NSSF office is expensive and time consuming for the rural poor. The state has responsibility for the NSSF-arrangement, but Green Resources have responsibility as employer to help facilitate and explain how the NSSF arrangement works, so that the workers can get their pensions. Deducting the workers according to regulations is counter-productive unless workers are trained on how to access their pension.

Benefit sharing

The local communities surrounding Green Resources' plantations are enjoying benefits from the tree plantations. There have been some improvements in the villages in the form of infrastructure development, such as schools, dispensaries and roads, as a consequence of the land deal. Green Resources has also promised villages with carbon quota selling plantations 10% of the revenue from the quotas. According to the Norwegian manager in Dar Es Salaam this amounted to 87 000 USD in 2011. Green Resources sets up a fund for each village, and deposit money when they sell carbon quotas. Four villages with plantations that produce carbon credits earned the following sums: 30 million Tsh, 75 million Tsh and two villages earned 10 million Tsh each. The national management of Green Resources explained that they had paid 87 000 USD to villages as a result of the carbon credit sale. The money is intended for community development projects. Green Resources set up a system where the village and district administration as well as a representative of Green Resources coordinates how the money is spent. The reason for this is to coordinate developmental projects between the village and the district, as well as making sure that money does not disappear along the way. The district level is supposed to coordinate the village plans with existing governmental development projects. Green Resources is taking care of the execution of projects, and deducting money from the fund. From the perspective of the village leadership,

the village is being disempowered and is disgruntled because the projects are not implemented after their vision. And there is a tug of war between the village and the district and it has been difficult to put the money into use (Tomitho 2011). The institutions to properly ensure benefit-sharing mechanisms from business investments are weak.

Green Resources is paying rent for land. However, this money is earned at the national level of government and the rates are very low. The Tanzanian land-leasing price is fixed at US \$ 0.27 per hectare (converted from local currency at 20th October 2011) (Schoneveld 2011). Green Resources national management said that the money paid for rent of land is symbolic, and an insignificant expense for the corporation in Tanzania.

Some promises kept, and many broken

Green Resources promised the villages benefits in return for their land. As the corporation cannot buy land from the villages, because of the law, the corporation offer to improve infrastructure of the village such as schools, village offices, maternity wards, dispensaries, roads and water access. However, village leaders complained about the poor standard of many of the contributions of Green Resources, and that many of the promises never came into existence.

In two of the villages I visited, Green Resources had built two classrooms in each village. However, the standard of the buildings are very low. One of the buildings was finished in 2011, but it had already started cracking, with large fractures in floors and walls. Windows do not have glass, only rusty metal bars. Village leaders said they wanted to have an engineer to come and look at it, because they felt it was not safe for the children to be inside it. In the other village, I was told that the classrooms were not in use because they were not provided with desks and chairs as Green Resources had promised. They had an oral agreement with Green Resources. Since the agreement was not written on paper, it was difficult to hold Green Resources accountable for the promises given to the village. In addition to building the classrooms, the agreement consisted of planting ten hectares of trees each year since 1997, that the village could use at its own will. By 2011, this would have amounted to 140 hectares, but only nine hectares have been planted so far. Green Resources had a second consultation with a village in 2009, asking them what they wanted. The village answered that

they wanted a maternity ward. So far, Green Resources has provided some building stones and piles of sand for cement, but nothing has been built three years later. This agreement is written, but it has no time frame. In yet another village, villagers told me that they made an agreement with the previous manager at Green Resources in their district. But when there was a new manager, he told them things have changed. He did not know about promises from the previous manager, and that the budget was tight. So he could not deliver all the things that the village leaders had agreed upon with the previous management.

The predicament of the corporation is the risk of spending a lot of money to please the local community before they have formal title deeds from the government. The Chief Executive Officer of Green Resources' London office, Mads Asprem, said that: "one of the main problems is to manage the expectations of the local community [...] but why should we do anything for the local communities, when we do not have formal title deeds? [...] However, we will not be able to hold vast areas of land unless we fulfil our social obligations." Investors expect the state to speak on behalf of the population, and Asprem states that: "It can never be our role to replace the responsibility of the state." (Piene and Bjergene 2012:16, my translation).

Resistance and Justice

In general, the local communities have very little knowledge of the scale and modes of Green Resources' operation in their village. There is much confusion around agreements and benefits both for village governments and workers. However, in many villages people say they are better off than before the company came. Especially the permanently employed are positive to Green Resources, while the casually employed are disgruntled. Working at Green Resources' plantations is a way to diversify income for the rural population, and have access to money. One Village Executive Officer remarked that before Green Resources came in 1997, only 26 houses had iron sheets on their roof. According to him, approximately 70 % of all houses have iron sheets now. This finding is supported by Refseth (2010b); she writes that since the arrival of Green Resources, there are more brick houses, iron sheet roofs and more money to spend in the community. In spite of positive effects, there was much animosity towards Green Resources.

There seemed to be a feeling of injustice among the people I spoke to. They feel cheated of their rightful share of the benefits because of broken promises. They are providing the most important mean of production: land. But they feel that they are not getting their rightful piece of the pie. This is the reason why some of the village leaders asked Green Resources to get the land back. One village managed to pressure the corporation to return their land. This was while the application to the Commissioner of Lands was still in the pipeline. The village repeatedly asked Green Resources to give back the land and annul the agreement. Some of the neighbouring villages told me that villagers made attempts to burn down the trees, though this is unconfirmed. Fire is a very weak spot for the tree farms of Green Resources. Fire can erupt from natural causes in the dry season, and can be devastating for the corporation. But fires can also erupt by the hands of angry villagers. Managers of Green Resources recognize this, and mentioned that this is one of the reasons they depend on having good relations with the local communities around their plantations. This may also be one probable reason why they have hired security guards to keep look out at the plantations. The signal effect of this is that Green Resources might not have as good relations to the local community as they aspire.

The fact that the village leaders are not receiving the benefits they imagined when accepting the deal with Green Resources has led to resistance. Theting and Brekke (2010) conclude that it is not the size of land acquisition or loss of land for subsistence farming that is the main problem. Rather it is the process of acquisition and governance structures that impede on fair distribution of the economic gains. The village leaders' focus on terms and fulfilment of the agreement, and the workers' focus on employment points in the direction that land access is not the central issue for them. Rather, it's how they can benefit equitably from the resources they sell. Thus, the main issue is economic injustice, rather than access to land *per se*. The core issue is enforcement of land rights, and the ability to bargain fair prices and obtain benefits for the local resource users. The local community lacks ability to hold the corporation accountable to their end of the deal.

Summary

There are some issues related to the participation of locals when agreeing to land deals with Green Resources. The corporation expects that political authorities are accountable to the

community, and therefore speak on the behalf of the population. However, some villagers do not feel properly represented by their local leaders. But there is room for *some* negotiation between village leaders and Green Resources. This displays a different image than much literature on land acquisitions, where the corporation acquire land without local consent. It is difficult for the local level administration to hold the corporation accountable to their promises. They do not have the ability to sanction the corporation when they do not uphold their end of the agreement. Land acquisition is an issue of economic justice for people in the local communities that are affected by Green Resources enterprises, rather than land dispossession *per se*. The next chapter combines empirical data and theory with the aim to create and outline of winners and losers of Green Resources land acquisitions. The next chapter outlines winners and losers of Green Resources' land acquisitions in rural Tanzania.

6. WINNERS AND LOSERS

This chapter analyses how benefits of Green Resources' foreign land acquisitions are shared. This is done by compiling empirical data and theory in a way that displays a pattern of how the benefits of FDI are distributed. The demarcation between winners and losers from foreign land acquisitions seem to follow along lines of class and geographical scale. Many analyses of foreign land acquisitions are confined to one geographical level, most frequently the local, obscuring other geographical levels and the urban – rural linkages. It is difficult to establish exact cost and benefit in foreign land deals. This is because the system for establishing the price of land, in the form of infrastructure development, is depending on the ability of village leaders to bargain and hold Green Resources accountable. The villages face many broken promises from the corporation. However, villagers in rural Tanzania does not seem to lose in absolute terms, because the land they sold was in most villages perceived as excess land. But villagers and village leaders have a feeling of injustice, because they assume that Green Resources benefit much more than them. The resistance towards the presence of Green Resources means that the land deal is not worth it for the rural communities. This points out that rural communities lose relative terms. The price of the land is too low; they do not want to sell their land for scraps.

Patterns of benefit from foreign land acquisitions are distributed along local, national and global geographical scales. The patterns of wealth distributions also seem to follow along the lines of class. On the local level, the casual labour comes from the lowest social strata. They do not have education, and the skills they have are easily replaceable. Casual labourers get little in return for their efforts, and they have poor prospects of improving their situation. They have little opportunity other than to sell their labour power in a low-skill and low-pay job. Either they continue living in poverty, or they can stretch for the extended arm of capitalistic production. This form of production is argued to increase the economic “pie” in society. This “pie”-increasing exercise will ultimately lead to the trickle down to the poor in society, because of more money for the government to spend on health and education. This perspective is heavily criticized. NGOs, such as Oxfam (Zagema 2011), advocate more

investment in subsistence farming to increase yields, and thus food security and income for rural populations. The debate on farmland investments is polarised, as few debaters in the literature on foreign land acquisitions advocate medium-sized farms, that allow farmers to use modern technology without turning into large-scale farms. However, the hegemonic neoliberal development model adheres to big investment and large-scale farming. The hegemonic discourse depicts corporations and capital accumulation as the engine of growth, and the state as the distributor of the increasing wealth. Therefore, it is difficult for policy suggestions to have influence on public policy if it does not fit with the neoliberal ideology. According to Li (2011), it is not likely that employment by FDI in large-scale farming is going to bring poverty reduction. This is because the salaries are too low and the amount of jobs created are too few.

The situation is slightly different for permanent employed at the plantations. They have predictability of income and they are satisfied with their salaries. One forest technician at Green Resources told me that: “the salaries are not too low, but not too high either.” These are educated men and women in their mid-twenties, who speaking English fluently. One of them drove a motorbike, which is a sign of money to spend. They are satisfied with their jobs, and it seemed like their current job at Green Resources was the start of their career. Unlike the casual workers, the permanent workers have future prospects of even better jobs.

As for the village in general, the investment has turned into disappointment. Even though there are positive effects of the investment, the degree of wealth distribution is quite poor, according to village leaders. Advocates of neoliberal policies would argue that the alternative to *some* improvement is *no* improvement. Therefore should investment be greeted welcome, instead of complaining about unequal distribution of wealth. The contour of urban bias comes into sight when looking at the managerial offices of Green Resources. The offices are most frequently situated in towns and cities, the main offices for Green Resources is situated in Mafinga and Dar Es Salaam. The staff use computers in their daily work, and managers drive company cars. There is proximity to banks and health services, and state institutions such as the NSSF. The jobs are better, and the facilities surrounding the job are better than in the rural areas.

On the national level of Green Resources, it seems like there is higher concentration of highly skilled workers. International expats are mainly situated in the major cities, in headquarters that manage the regional offices in the various parts of the country. There is a concentration of business elites, but also the political elites that are keen on foreign land acquisitions are concentrated in cities. Karumbidza (2010) claim that since foreign actors cannot own land there is an alliance of domestic and international actors. They form an alliance because they both benefit. Political elites are gaining from increased FDI as total share of GDP. For the case of Tanzania, FDI as a percentage of GDP has according to statistics increased from 7% to more than 30% between 1990 and 2010 (Bergius 2012). This is good news for the national politicians who are trying to get re-elected and to demonstrate to aid donors how well they are doing with economic growth. National government is putting a lot of pressure on district and village administration to adhere to the wants of investors, rather than smallholders. This is because the national government gains more from large-scale investment, than small-scale. Besides, it is more difficult for national politicians to raise money to invest directly in the rural poor, because they do not have the funds. The politicians trust the corporations to be the engine of growth within the neoliberal paradigm.

Balancing national interests in promoting investment, as well as the private interests of policy-makers, and land access interest of smallholder farmers and pastoralists has been one the most contentious aspects of land tenure debates in Tanzania for the past 20 years (Pearce 2012). The perspective of Havnevik (2011) is that reluctance of local government and companies “to do the right thing” is the underlying problem, rather than lack of experience and guidance. Sundet (2005:10) comments that: “Still, it may be argued that the perceived threat of foreign mass-acquisition is easily over-stated. The main threat against the landholdings of smallholders (and urban “squatters” for that matter) is not an unrestricted land market, with or without foreign participation, but a regulated market that may be manipulated by politicians and bureaucrats. There is a wealth of empirical evidence from comparable countries to support this assertion.”

The top of the value chain is situated in the global north in the case of Green Resources. The main offices are in Oslo and London. So far, Green Resources is struggling to create

surplus for their investors, but the CEO asserts that: “Green Resources will make money soon” (Piene and Bjergene 2012:16).

Some academics call for more class analysis in the land rush (Matondi *et al.* 2011), probably because the focus of foreign land acquisitions is quite often on the foreignness. However, the fruitfulness of emphasising the foreign – domestic dichotomy is questionable. The question of classes, and their ability to accumulate capital, rather than the question of states vs. states and state – corporation alliances, can guide pertinent insights into winners and losers of land deals. It seems like education and socio-economic background is determining the ability to extract wealth from land deals. Therefore, winners and losers are can be traced along class and geographical scale.

The win-win development discourse of land acquisitions is problematic. Rather than talking about business investment as developmental projects, they should be framed as what they are: Opportunities for profit, sought after by capitalist enterprises. This does not imply that business development is bad *per se*. But promoting land acquisitions as development projects obscures parts of the truth: the investments of Green Resources is driven by profit, and not to improve the situation of the poorest. Green Resources is not hiding the fact that their goal is to make money, but they are also dependent on framing their enterprises as ethically sound. It would be difficult for Green Resources to sell carbon credits to the Norwegian government if they did not have a “clean” image. Therefore, debaters claim that CSR in the context of carbon credit sales is mainly “green washing” because the ethically sound image is predominantly hollow. However, Green Resources is re-investing all their money into their African enterprises. But money is repatriated through high salaries in the global North, and the provision of profit for the investors. The disarticulation between production and consumption makes it possible to produce at low-cost place, and cash out profit for the capitalist investors.

7. CONCLUSIONS

This chapter summarises the thesis and answers the research questions that is posed at the beginning of the thesis. The first chapter displayed the big picture of land acquisitions globally, with focus on sub-Saharan Africa and Tanzania specifically. This presentation demonstrated that the discussion over foreign land acquisitions is a polarised debate, with NGOs on one side, and business and politicians on the other. The first chapter also identified some of the most frequently debated issues such as contingent causes of land acquisitions, the scale and scope (and methodological problems with quantifying these aspects), food security and land availability. I brought these recurring topics in the literature into my own account of foreign land acquisitions of Green Resources in Tanzania. The main conclusion from the first chapter is that one must be careful with generalising about the extent, effect and causes of land acquisitions, because context matters greatly and methods are too uncertain. There have been documented very negative impacts of land acquisitions, but researchers have also found several instances where foreign investment can have positive effects on local livelihoods. Contingent causes of foreign land acquisitions are increased food prices and economically viable prices for biofuel, and increasing prices of land globally, that makes farmland investments lucrative.

The root cause of foreign land acquisitions is found in the neoliberal logic; the market based approach to create development. The chapter on neoliberalism displayed that neoliberalism promotes capitalism with out state interference, including the promotion of freer markets and freer trade. Polanyi pointed out that social society becomes disembedded in market society because the market society encourage sale of the fictitious commodities land, labour and money. The implication of the rise of the market society is that humans become an accessory of the economy. Harvey explained how capitalism has a tendency to polarise wealth at one pole, so the rich become richer and aggravates uneven geographies of development through the process of accumulation by dispossession. According to the theory of accumulation by dispossession, capital accumulation is a process where wealth is transferred from lower classes to the upper classes. One example is enclosures of commons,

such as acquiring and privatising common land by legal expropriation. The fact that this process is legal highlights the role of the state as facilitator of capital accumulation, by providing political support through public policies. The state policies of privatisation and liberalisation enable corporate entities to extract wealth from land that used to be commonly owned. The local resource users are left with little benefit.

This thesis draws empirical data from the case of Green Resources in Tanzania. Local populations are not forced off their land, but villages exchange what they perceive as excess land for hopes of infrastructure development and employment opportunities in the rural vicinity. According to the theory of accumulation by dispossession, one would expect small-scale farmers to become more dependent on a job in capitalist production. However, farmers continue to cultivate their own land, with help from their household. They are not really forced to take waged labour, but they really want it because money is hard to come by in rural Africa. Therefore, proletarianisation is not a direct product of Green Resources' land acquisition in Tanzania; the farmers are already dependent on cash income. However, one could argue that villagers are being dispossessed when taking the future into account. Even though land is not yet scarce, it might be little arable land left for coming generations in 30, 60 and 99 years.

Unlike many other studies, this research has found that there is some room for negotiations on the local level. But local communities are not making much profit from the investments, even though the situation was improved in some of the villages, according to some village leaders. Many of the villages wanted to quit the agreement with Green Resources because they did not face the benefits they agreed upon with the company. One village had managed to evict Green Resources from their village, and several villages were in the process of trying to make Green Resources withdraw from their land. Even though local communities might not be losers in absolute terms, there is a strong sense of injustice, which pushed them to make resistance against the enterprises of Green Resources.

Neoliberalism is the underlying ideology that enables and promotes corporate driven agricultural investments in poor countries. It is the global hegemonic neoliberal ideology that drives policies at global level, and national level in Tanzania. This study has researched the

perspectives and impacts on the local level, and created an outline of winners and losers along the divides of class and scale. Emphasising the analysis of the “foreignness” of land deals does not seem to be pertinent because class issues are highly relevant within national borders as well. This research gives momentum to an ideological critique of neoliberalism put forward by Harvey. The theory of accumulation by dispossession promotes the idea that the effects of capitalist expansion are inherent in the capitalist system. The effects are polarisation of wealth and uneven geographies of development. Since corporate land acquisitions in rural Africa are capitalist expansion, the outcome is necessarily increasing wealth gaps, according to the theory. However, all empirical studies of land acquisitions are different from each other. Some land acquisition processes have taken the shape of violent evictions of families from their farms (Zagema 2011). This study has presented a more complex picture of winners and losers because the land deals have produced some benefits on the local level. Therefore, it is important to investigate the context in order to understand the concrete shape and impacts of foreign large-scale land acquisitions. However, there is little doubt that the winners in foreign land acquisitions are capitalists operating at the global level, and the losers are the poor rural inhabitants at the local level.

At the end of this thesis, I make some reflections on the transferability of this study. The empirical data for this thesis is limited, and whether foreign land acquisition is good or bad is an empirical question. Therefore, one should be careful to transfer the findings of this study to other studies of foreign land acquisitions. On the ideological level, theories critical to capitalism and neoliberalism show that land acquisitions produces inequality. But corporate land acquisitions also produce economic growth, but not an equitable distribution of the wealth. Therefore, it is likely that the theoretical conclusions that rich become richer, also regarding foreign land acquisitions is a likely outcome. However, the theory of accumulation by dispossession is difficult to link directly to empirical data, because one needs information concerning both local and global levels.

Therefore, critiques on land acquisitions can be found on both politically pragmatic level and politically utopian. Pragmatic critiques advocate good governance and CSR to counteract the unfair distribution of wealth. Therefore, pragmatic criticisms points to the deficit of good governance in many of the countries where land acquisitions are taking place. The

ideological, and political utopian critique, explains that the problem is capitalistic accumulation itself. The result is that one cannot expect that enforcing regulations on local level will mend the concerns, since the cause originate in the capitalistic accumulation regime. In other words, resistance and regulation at the local level will not counteract the causes, as long as the global policy environment is neoliberal. Therefore, land expropriation by wealthy elites is based on dispossession and will lead to the marginalization of popular classes and enrichment of elites. The current situation of the global economy support land acquisitions as an opportunity to invest over accumulated capital to further stimulate capital accumulation. The result is that land is enclosed and subjected to private property right, and the local resources users are excluded.

REFERENCES

- Action Aid. 2010. Implications of biofuels production on food security in Tanzania. Action Aid Tanzania, Dar Es Salaam.
- Anseeuw, W., L. A. Wily, L. Cotula & M. Taylor. 2012. Land Rights and the Rush for Land: Findings of the Global Commercial Pressures on Land Research Project. International Land Coalition, Rome.
- Benjaminsen, T. A. & I. Bryceson. 2009. Klimakolonialismen. Dagbladet (January 28th 2009)
Available at: <http://www.dagbladet.no/kultur/2009/01/28/563545.html>. Viewed May 29th 2012.
- Benjaminsen, T. A. & I. Bryceson. 2012. Conservation, green/blue grabbing and accumulation by dispossession in Tanzania. *Journal of Peasant Studies*, 39. 335-355.
- Berge, H. 2007. Eiendommens Tragedie - Individuelle omsettbare kvoter, Havbeiteloven og kontinuiteten i primitiv akkumulasjon. En sammenlignende studie. Master Thesis in Human Geography. Department of Sociology and Human Geography, University of Oslo.
- Bergius, M. 2012. Large Scale Agro Investments for Biofuel Production in Tanzania -Impact on Rural Households. Master Thesis. Institute of Development Studies, University of Agder.
- Borras, S. M. & J. C. Franco. 2010. Towards a broader view of the politics of global land grab: rethinking land issues, reframing resistance. *ICAS Working Paper Series No. 001*. TNI, LDPI and ICAS.
- Borras, S. M. & J. C. Franco. 2012. *A 'Land Sovereignty' Alternative? Towards a Peoples' Counter-Enclosure*. Transnational Institute Agrarian Justice Programme, Discussion Paper.
- Brockington, D. 2008. Corruption, Taxation and Natural Resource Management in Tanzania. *Journal of Development Studies*, 44. 103-126.
- Burja, J. 2006. Lost in Translation? The Use of Interpreters in Fieldwork. *Desai, V. & R. B. Potter (eds). Doing Development Research*. Sage, London.
- Cotula, L. 2012. The international political economy of the global land rush: A critical appraisal of trends, scale, geography and drivers. *The Journal of Peasant Studies*. 1-32.
- Cotula, L., S. Vermeulen, R. Leonard & J. Keeley. 2009. Land grab or development opportunity? Agricultural investment and international land deals in Africa. FAO, IIED & IFAD, London.

- Curtis, M. & T. Lissu. 2008. *A Golden Opportunity? How Tanzania is Failing to Benefit from Gold Mining*. Second edition. Christian Council of Tanzania, National Council of Muslims in Tanzania and Tanzania Episcopal Conference, Dar Es Salaam.
- Daily news. 2011. PM defends large scale farmers. *Daily news August*, 17th 2011.
- Deininger, K., D. Byerlee, J. Lindsay, A. Norton, H. Selod & M. Stickler. 2011. *Rising global interest in Farmland. Can it yield sustainable and equitable benefits?* The World Bank, Washington DC.
- De Schutter, O. D. 2009. Large-scale land acquisitions and leases: A set of core principles and measures to address the human rights challenge. *Addendum to the Report of the Special Rapporteur on the right to food*. The United Nations, General Assembly, Human Rights Council.
- Friis, C. & A. Reenberg. 2010. Land Grab in Africa: emerging land system drivers in a teleconnected world. *GLP Report no. 1*. University of Copenhagen.
- Gardner, B. 2012. Tourism and the politics of the global land grab in Tanzania: markets, appropriation and recognition. *Journal of Peasant Studies*, 39. 377-402.
- Green Resources. 2010. *Directors' Report*. Oslo.
- Haki Ardhi. 2011. Accumulation by land dispossession and labour devaluation in Tanzania. The case of biofuel and forestry in Kilwa and Kilolo. Land Rights Research and Resources Institute (HakiArdi), Dar Es Salaam.
- Hall, R. 2011. Land grabbing in Southern Africa: the many faces of the investor rush. *Review of African Political Economy*, 38. 193-214.
- Hammersley, M. & P. Atkinson. 2007. *Ethnography. Principles in practice*. Third edition. Routledge, London.
- Harvey, D. 2003. *The New Imperialism*. Oxford University Press, New York.
- Harved, D. 2006. *Spaces of Global Capitalism*. Verso, London.
- Harvey, D. 2007. *A Brief History of Neoliberalism*. Originally published in 2005. Oxford University Press, New York.
- Haugen, H. M. 2010. Biofuel and FAO's estimates of available land: The case of Tanzania. *Journal of Ecology and the Natural Environment*, 2. 30-37.
- Havnevik, K. 2011. Grabbing of African lands for energy and food: implications for land rights, food security and smallholders. Matondi, P. B., K. Havnevik & A. Beyene (eds). *Biofuels, land grabbing and food security in Africa*. Zed Books, London.

- Hesselberg, J. 2011. *Fieldwork in developing countries*. Department of Sociology and Human Geography, University of Oslo.
- Karumbidza, B. J. 2010. Banking on Poverty: A Research Report Focusing on Climate Mitigation Related Land Grabs and Resource Imperialism in the Southern Tanzanian Highlands. University of Kwazulu Natal, Durban.
- Kvale, S. & S. Brinkmann. 2009. *InterViews: Learning the craft of qualitative research interviewing*. Second edition. Sage, Thousand Oaks.
- Li, T. M. 2011. Centering Labour in the Land Grab Debate. *Journal of Peasant Studies*, 38. 281-298.
- Marshall, C. & G.B. Rossman. 2011. *Designing qualitative research*. Fifth Edition. Sage, Los Angeles.
- Matondi, P. B., K. Havnevik & A. Beyene (eds). 2011. *Biofuels, land grabbing and food security in Africa*. Zed Books, London.
- McMichael, P. 2011. Interpreting the Land Grab. Cornell University. Land Deal Politics Initiative, Transnational Institute. *Working paper*.
- Miles, M.B. & A.M. Huberman. 1994. *Qualitative data analysis: an expanded sourcebook*. Second edition. Sage, Thousand Oaks.
- Mohammad, R. 2002. "Insiders" and "outsiders": Positionality, Theory and Praxis. Issues and Debates. In Limb, M. & C. Dwyer. *Qualitative Methodologies for Geographers*. 101-117.
- Mousseau, F. & A. Mittal. 2011. Understanding Land Investment Deals in Africa. Country Report: Tanzania. The Oakland Institute, Oakland.
- Mwami, A. & N. W. Kamata. 2011. *Land grabbing in a post investment period and popular reaction in the Rufiji River Basin*. Land Rights Research and Resources Institute (Haki Ardhi), Dar Es Salaam.
- Mwango, H. R. & I. Mwakatumbula. 2010. *Land Use and Occupancy: It's Social and Economic Effects on Community Members*. SHICANET - Southern Highlands Caritas Network Tanzania, Dar Es Salaam.
- Mydske, P. K., D. H. Claes & A. Lie. 2007. *Nyliberalisme - ideer og politisk virkelighet*. Universitetsforlaget, Oslo.
- Pearce, F. 2012. The Rio+20 Earth summit must back peasant farmers on land rights. *The Guardian*. Online article, read: August 20th.
- Piene, B. & L. R. Bjergene. 2012. Til salgs! Jakten på jord. *Bistandsaktuelt*. Mars 2012.

- Polanyi, K. 2001. *The Great Transformation. The Political and Economic Origins of Our Time*. Originally published in 1944. Beacon Press, Boston.
- Ramadhani, A. 2010. Land Grabbing for Proposed Clean Development Mechanisms Project in Mufindi District in Tanzania. Envirocare, Dar Es Salaam.
- Refseth, T. 2010a. Karbonskog og menneskerettigheter: En vurdering av Green Resources i Tanzania. *Utmark, 1*.
- Refseth, T. 2010b. *Norwegian Carbon Plantations in Tanzania: Towards Sustainable Development?* Master thesis. Department of International Environmental and Development Studies (Noragric), Norwegian University of Life Sciences, Ås.
- Rice, T. 2010. Meals per gallon: The impact industrial biofuels on people and global hunger. Action Aid, London.
- Schoneveld, G. C. 2011. The anatomy of large-scale farmland acquisitions in sub-Saharan Africa. *Working paper 85*. CIFOR, Bogor.
- Sen, A. 1981. Ingredients of Famine Analysis: Availability and Entitlements. *The Quarterly Journal of Economics*, 96. 433-464.
- Smedshaug, C.A. & H. Nilsen (eds). 2011. *Troen på markedet. De nyliberale strategier*. Res Publica, Oslo.
- Stave, J. 2000. *Trær til besvær - om norske "karbonplantasjer" i Tanzania*. Framtiden i våre hender, NorWatch, Oslo.
- Sulle, E. & F. Nelson. 2009. *Biofuels, land access and rural livelihoods in Tanzania*. International Institute for Environment and Development, London.
- Sundet, G. 2005. The 1999 Land Act and Village land Act. A Technical Analysis of the Practical Implications of the Acts. *Working Draft*.
- Sundet, G. 2006. *The Formalisation Process in Tanzania: Is It Empowering the Poor?* Study prepared for the Norwegian Embassy, Dar Es Salaam.
- The Citizen. 2011. MPs accuse ex-presidents over land grabbing. *The Citizen*, August 16th 2011.
- Theting, H. & B. Brekke. 2010. Land Investments or Land grab? A critical view from Tanzania and Mozambique. Spire, Oslo.
- Tomitho, C. 2011. *A Report on Fact Finding Mission on Carbon Credit Schemes in Kilombero and Mufindi Districts*. Land Rights Research and Resources Institute (HakiArdi), Dar Es Salaam.

- Ullenberg, A. 2009. *Foreign Direct Investment (FDI) in Land in Madagascar*. Federal Ministry for Economic Cooperation and Development, Eschborn.
- Von Braun, J. & R. Meinzen-Dick. 2009. "Land Grabbing" by Foreign Investors in Developing Countries: Risks and Opportunities. *Policy Brief No. 13*. International Food Policy Research Institute, Washington DC.
- Widengård. 2011. Biofuel governance: a matter of discursive and actor intermesh. Matondi, P. B., K. Havnevik & A. Beyene (eds). *Biofuels, land grabbing and food security in Africa*. Zed Books, London.
- Willis, K. 2006. Interviewing. Desai, V. & R.B. Potter (eds). *Doing Development Research*. Sage, London.
- Zagema, B. 2011. *Land and Power*. Oxfam International, London.
- Zoomers, A. 2010. Globalisation and the foreignisation of space: seven processes driving the current global land grab. *Journal of Peasant Studies*, 37, 429-447.

APPENDIX A: LIST OF INFORMANTS

Village 1

August 22nd 2011. Priest.

Village 2

Group Interview, August 22nd 2011:

Chairperson of lay people,

Chairperson of station (catholic),

Secretary of station,

Vice Chairperson of youth wing,

Catechist,

Chairperson of Catholic women of
Tanzania,

Interview, August 22nd 2011:

Village Executive Officer.

Village 3

Group Interview, August 23rd 2011:

Section leader of Catholic branch,

Catechist,

Secretary of lay people,

Treasurer with the church,

Random villager,

Chairperson of the youth wing sub
section; who also used to work as casual
labour.

Interview,

Village Executive Officer,

Village Chairperson.

Village 4

Group Interview August 26th 2011:

Village Chairperson,

Village Executive Officer,

Ward Executive Officer,

Ward Councilor, Bakwata representative,

Anglican representative,

Priest elect,

Clinical officer at dispensary,

Permanent worker at GR-plantation,

Member of Village Council 1,

Member of Village Council 2.

Individual Interviews 19. September 2011:

Previous permanent worker

Permanent worker

Permanent worker

Group Interview, September 19th 2011:

Casual worker 1

Casual worker 2

Casual worker 3

Casual worker 4

Casual worker 5

Casual worker 6

Casual worker 7

Casual worker 8

Casual worker 9

Village 5

Group interview, August 26th 2011:

Casual worker 1

Casual worker 2

Casual worker 3

Individual interviews, September 17th 2011:

Permanent worker 1

Permanent worker 2

Permanent worker 3

Casual worker 1

Casual worker 2

Casual worker 3

Casual worker 4

Casual worker 5

Individual interview, Tree Nursery:

Permanent worker

Casual worker

Group interview, at village office,
September 18th 2011:

Ward Councilor

Previous Ward Councilor

Ward Executive Secretary

Extension Officer of Ward

Chairperson

Chairperson of Langoni subvillage

Leader of village government

Member of Village Council 1

Member of Village Council 2

Member of Village Council 3

The responsible for water in the village

Village 6

Group interview, at village office,
September 20th 2011:

Ward Councillor

Village Chairperson

District CCM Chairperson

Ward Secretary

Village Secretary

Green Resources liaison person

Member of Village Council

Village 7

Group interview, at village office,
September 20th 2011:

Village Chairperson

Village Secretary

Chairperson of natural resources

Person responsible for Green Resources
contract 1

Person responsible for Green Resources
contract 2

Town

Group interview, September 20th 2011:

Ex Ward Officer of Ubungaa village

Former land acquisition officer at Green
Resources/Ward Officer

Individual interview, at office,

September 21st 2011:

Manager of Green Resources district office
City

Green Resources

Norwegian management

APPENDIX B: INTERVIEW GUIDES

Informants

Local community

- Locals with job at Greens Resources
 - Casual labour
 - Permanent labour
- Village leaders, political and administrative
- Villagers, religious leaders

Green Resources

- National Management
- District management

Interview Guides

Interview Guide Green Resources

General

How much land do you have in this area?

What kind of products are you selling?

Who are buying these products?

Why is Green Resources located here in Tanzania?

Why did you choose the villages you choose?

What are the main challenges of Green Resources operations in Tanzania?

What are the main opportunities in Tanzania /East Africa?

How is the structure of Green Resources in Tanzania?

Is this office independent from main office in Dar Es Salaam?

Land acquisition

Is there any difference before and after the Land Act of 1999?

How do you proceed with acquiring land?

Who are involved in this process?

How is the local community involved in decision-making?

How do you agree upon the price?

What price do you pay for the land?

What is the time frame Green Resources have on the investments?

Do Green Resources intend to plant trees on all their acquired land?

Who writes the contracts, and who makes sure they are kept?

Are the contracts public, may I see a contract?

Workers

What kind of work do they do?

How many workers are employed in GR?

What kind of working policies do you have?

What is the salary for the workers in the plantation?

Do they get safety equipment for working in the farms?

What kind of benefits? (Health security, transport, lunch)

Do they get pensions?

Social development

On the website, it says you work to ensure social development. In which ways do Green Resources work to accomplish these goals?

The Green Resources website says that 10 % will go to social development. What are these 10 % calculated from?

Some activists are warning against foreign corporations committing "Land grabbing"? What is your perspective on this topic?

Other

Why did you stop operations in One of the villages?

Village leaders

Village land

How do you feel about the village selling land?

How much land was sold?

What was the price?

Are you happy with the price?

Does Green Resources provide benefits to the community?

What do you think of the benefits?

What would you use the land for, if Green Resources wasn't here?

Impact on community

In what ways have Green Resources affected the local community?

Would you like to sell more land?

Are you comfortable with the agreement with GR?

Are you worried of land scarcity for the future generations?

Can you use the forest of GR? How can you use it?

Local conflicts over land

Are there any local conflicts of land?

How do you know measure up the land?

How much land does this village have?

Do you think it's better after or before Green Resources came to the village?

Are pastoralists or nomads using this land?

Plantations workers

How do you feel about being a Green Resources employee?

What kind of work do you do?

What kind of employment do you have? (Casual, permanent)

How are the salaries?

What kind of salaries would you be satisfied with?

What are your terms of employment? (Health security, pensions, union-membership, transport, lunch)

Do you have contract?